### In China, A Full-Scale War Against **Floodwaters**

As Damage Grows, Troops Are Mobilized To Save a Central City

> By John Pomfret Nushington Post Service

BEDING — Soldiers and civilians battling record-breaking floods dy-namited dikes on Sunday along the Yangtze River to protect a central Chinese city as hundreds of thousands were left homeless and thousands of

hectares of crops were destroyed.
The floods, which have ravaged central China since July, have destroyed billions of dollars in real estate and farmland. The government has said that 240 million people, a quarter of China's population, have been affected indirectly by the floods. More than 600,000 soldiers of the People's Liberation Army are combating the high waters.

The official death toll is around 2,500 but Chinese reporters say the real figure could be higher. A circular from the central government in Beijing has banned China's state-run press from reporting casualties when they occur, Chinese reporters said. There are also signs of opposition from farmers to the government's policy of forcibly relocating people out of harm's way and

locating people out of harm's way and sacrificing their towns to save Wuhan, a major industrial city of 7 million people in central Hubei Province.

Meanwhile, opponents of a dam project on the Yangtze River have used the dramatic events unfolding along the river as a chance to attack the project, which aims at damning the Yangtze and building a huge hydropower station there at an estimated cost of at least \$29 billion. The opponents, a group of Chinese eavironmentalists group of Chinese environmentalists and scientists, claimed over the weekand scientists, frame to vot the weekend that money going to the Three
Gorges Dam project had been diverted
from funds used to pay for bolstering
dikes along the Yangtze's banks.
Floods traditionally devastate cen-

tral China during the summer months when monsoon rains move inland from the Pacific Ocean. Most of central China's rain falls from June to August. This year, however, China has said that flooding is the worst since 1954, when deluges in central China

killed 30,000 people. The floods have intensified this year in part because in their urge to take advantage of economic reforms, many farmers have planted crops in areas traditionally kept as flood plains, Chinese officials said. These fields have eaten away at the shores of lakes

and the banks of rivers.
In addition, little effort in some areas has been spent on flood prevention in recent years. One example is the ancient city of lingdezhen, center of China's pottery culture on the banks of the Chang River in Jiangxi Province. All 11 of its main streets have been inundated with water and there has been a heavy loss of life in the

town, according to sources in the city. The Chinese state-run media have spent much of the last week reporting on the floods and on the impact that a completed Three Gorges Dam project would have on controlling the Yangtze River in the future. In a recent speech, Lu Youmei, chairman of the

See CHINA, Page 7

### NOW, THE INVESTIGATORS TAKE OVER



A mother and son, with an Israeli rescuer, appearing Sunday in Nairobi after they were saved from rubble.



An unidentified victim of the Nairobi bombing being carried from the plane Sunday after he arrived at the U.S. Air Force base at Ramstein, Germany. American dead. Page 2.

#### U.S. Vows Action If a State Is Killer

Top U.S. officials would not speculate Sunday on who might be behind the deadly embassy bombings in Africa, but in cases when proof of state-sponsored terrorism is found, said Defense Secretary William Coben, "we respond and retaliate as swiftly as possible." Page 7.

 Many of the Kenyan victims, the exact number still not known, had gone to the embassy early that morning with the hope of getting a visa or a job. Page 7.

 Tragedy a long way from home haunts families of the



John Lange, the U.S. chargé d'affaires, standing with Marines in front of the Dar es Salaam embassy Sunday.

# Amid the Dead, A Hunt for Clues

### Kenyans Die As Bystanders

By James A. McKinley New York Times Service

NAIROBI - On Friday morning, Jack Omukhani paid a visit to his wife at her job in the switchboard room of the

Ufundi Cooperative Building.

He had time to kill because he was on strike from his bank job. They talked of little things. His wife, Elizabeth Akino, insisted he stay for a cup of tea to brace him against the chilly weather. He left just after 10 A.M.

On Synday he ricked up her manufed.

On Sunday he picked up her mangled

body from the city morgue.

A half-hour after they parted, Miss Akino was killed by a terrorist's bomb aimed at the U.S. Embassy next door. It devastated the Ufundi building.

Miss Akino was among at least 155
Kenyans who were killed in an act of terrorism that investigators say appears to have nothing to do with them.

"As for me, it was actually by the grace of God I survived," Mr. Omukhani as he fought back team just outside.

said, as he fought back tears just outside the City Council Mortuary where he had found his wife's body on the floor. "I had just seen her and we had talked."

As the death toll from the bombing Friday continued to rise, the families of victims turned to the grim task of burying their dead and rebuilding their

The blast ripped through a busy down-town district dominated by banks and government offices at 10:30 A.M. Many of the people who deed were educated, middle-class Kenyans: office workers, bankers engineers accountants

bankers, engineers, accountants. In a country like Kenya, where jobs are scarce and the average income is less than \$260 a year, the effects of the carnage Friday will spread far beyond

See VICTIMS, Page 7

### **Was Blast** Videotaped?

By Jane Perlez New York Times Service

DAR ES SALAAM, Tanzania - A white video camera affixed to the roof of the U.S. Embassy here and pointing directly at the gate where a terrorist bomb went off may offer important clues for investigators, who started piecing together evidence on Sunday about what happened at 10:39 A.M. American officials said they did not

know yet whether the video camera was taping at the time, but the camera looked like one of the few things that remained intact at the largely devastated threestory building.

The attack, which left nine dead and

more than 70 injured, appeared to have been carried out with a bomb carried by a car or truck, an American official

Much speculation on Sunday focused on a water truck that was at the entrance awaiting clearance to make a regular delivery of water to the embassy's tanks

See TANZANIA, Page 7

# Toll in Nairobi

Reaches 190 By Tim Weiner New York Times Service

NAIROBI - American diplomats, soldiers, intelligence officers and lawenforcement personnel from duty posts around the world streamed into Nairobi on Sunday to shore up a traumatized U.S. Embassy, secure the shattered mission and search for clues in the bombing that killed at least 190 people and injured more than 4,000.

The death toll is expected to rise above 200 and the number of injured.

above 200 and the number of injured

may surpass 5,000 in days to come. Here and in Washington, a global investigation into the nearly simultaneous explosions adjacent to the U.S. embassies in Kenya and neighboring Tanzania began to take shape.

Officials said the inquiry was likely to reach across Africa and the Arabian

Peninsula to Afghanistan.

They predicted exhaustive scrutiny of terrorist networks with bases in at least four nations. The officials said it was clear there

was an argent need for intensified security at U.S. diplomatic missions around the world, especially those still especially vulnerable The officials said they were con-

cerned that evidence from the bombing might have been destroyed in the frantic search for injured and dead in the buildings' ruins. Only on Sunday did American in-

vestigators begin to secure the site of the blast and start a painstaking search for "There are conflicting priorities," a U.S. official said. "One is removing

survivors and removing remains. Another is gaining evidence.' The information being analyzed by the investigators, one official said, in-

cluded a report by a witness - not yet confirmed - that three men described as Arabs were seen stealthily video-taping the embassy building four days before the explosion.
U.S. officials said that the investi-

gation into the bombings in Kenya and Tanzania could take months or even years.

Few, if any, officials had foreseen the coordinated attacks. The chance of a terrorist assault on the embassy in Nairobi had been rated as slim by officials at the State Department and the Central Intelligence Agency, according to Paul Peterson, the embassy's regional security officer.

security officer.
Security risks at U.S. embassies are ranked as "low," "medium," "high" and "critical" by those analysts. "Nairobi was 'low." said Mr. Peterson so low that the embassy, one of the largest American outposts in Africa, was sheltering diplomats evacuated from the U.S. mission in neighboring Sudan, where the CIA warned in 1996 of a possible attack.

As 45 Federal Bureau of Investigation agents, 11 officers from the CIA's Counterterrorist Center and scores of military intelligence officers and State Department security experts began arriving in Nairobi, it was clear that the risks had been underestimated.

Among those arriving to reconstitute the embassy was a State Department

See ATTACKS, Page 7

### Castro's Shrinking Stage Is Anyone Afraid of Cuban Leader These Days?

By Larry Rohter
New York Times Service

ST. GEORGE'S, Grenada - The high point of Fidel Castro's state visit to "Spice Isle" last week was the speech he delivered at Tanteen, a cricket field flanked by a simple grandstand and a stack of cargo containers. As a couple of thousand people listened patiently and the occasional dog ambled across the grounds, the Cuban leader lectured Grenadians for an hour and a half on the history of slavery in the West Indies and assorted other topics.

Since coming to power nearly 40

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years ago, Mr. Castro has used all the world as his stage, but he seems to be playing smaller houses these days. Leslie Pierre, editor of the leading newspaper in this country of 100,000 people, the weekly Grenadian Voice, intended it as a compliment when he called the Cuban president "a Caribbean man." Yet that designation also implies that Mr. Castro and his message matter little these days outside a region that itself seems increasingly on the fringe of world events.

Treated in recent years as a dotty old uncle in most capitals, even those of Latin America where his calls for revolution once resonated, Mr. Castro found himself saluted in Grenada by Prime Minister Keith Mitchell as an historical figure "who can only be compared in the 20th century to Nelson Mandela." He was also serenaded with a rousing version of the "Interna-

But the atmosphere was festive rather than threatening. Without the Soviet Union to back it up, the communist anthem has lost its ability to frighten the capitalist world. So, too, Mr. Castro.
In the early 1980s, the Reagan administration's fear of Mr. Castro and his seemingly unlimited ability to make

See CASTRO, Page 3

#### AGENDA

#### **Congo Reports Twin Military Offensives**

KINSHASA, Congo (Reuters) — President Laurent Kabila's govern-ment said Sunday that it had launched twin offensives against rebels and Rwandan soldiers in the east and west of the former Zaire and that fighting was taking place on both fronts.

Information Minister Didier Mumengi said that the two sides were

fighting near border town of Bukavu in the east and around the oil town of Muanda in the west.

Mr. Mumengi, who accused Rwandan and Ugandan troops of fighting on Congolese soil, said that the government began the counteroffensive Saturday.

Related article, Page 2.

### Appeals for End to Lewinsky Inquiry

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Books	Page 13.
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The Intermarket	Pages 4, 6.
The IHT on-line	www.iht.com

Supporters and detractors of President Bill Clinton called Sunday for a speedy end to the Monica Lewinsky investigation that has distracted the White House since January. The calls included an appeal to the independent counsel, Kenneth Starr, to submit rapidly a report on his inquiry. Page 3.

#### **Burma Detains 18 Foreign Activists**

A group of 18 foreign pro-democracy activists have been detained in Burna after they arrived Sunday in Rangoon. The government says they were held for attempting to incite unrest. The group, including six U.S. citizens, was sent to Burma by a coalition of private organizations. A co-

alition member said the activists were to hand out "goodwill messages" supporting human rights and democracy. Meanwhile, the 10th anniversary

of a crackdown on pro-democracy demonstrators passed quietly in the country, without the violence many had feared. Page 4.

### Foreign Investors Brave Japan Real-Estate Morass

By Sheryl WuDunn New York Times Service

TOKYO - Norie Nishikawa scans the parking lot and walks into the apartment complex, moving quickly to a mailbox. She pokes the letters she finds there, noting the return addresses, especially the ones from collection agencies, before a building clerk asks her to

Outside, she snaps a roll of pictures and is off, jotting down notes on ev-erything from evidence of maintenance problems to hints of the presence of Miss Nishikawa and hundreds of

brokers like her are working alongside American investment banks to transform Japan's mountain of bad debt and depressed property into an investment opportunity - and, some experts hope, to reverse Japan's long economic

For investors, acquiring Japan's bad real-estate debt is a big gamble even at sale prices, but, if successful, it could help shore up the foundations of the Japanese economy and reassure markets around the world,

Essentially, Americans and other foreigners are moving in to buy "packages" of the bad loans held by Japanese

banks, for around 10 cents on the dollar, and then trying to sell the collateral that backed the loans.

They hope to either get an immediate profit or else hold on and enjoy big gains when the property market picks up.

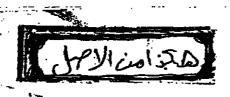
The dividends throughout the economy could be substantial: If foreign investors help increase liquidity in the Japanese property market, the banks could get rid of some of the nation's bad debt — which is estimated at anywhere from \$500 billion to \$1 trillion.

If property prices turn around, confidence in the economy could soar, and this could put new pressures on yakuza, as Japanese gangsters are called, who have been occupying many properties
— sometimes at the behest of property owners who want to discourage fore-

"The whole economy is frozen because everyone thinks there's a yakuza in every garage." said Jack Rodman, national director for Asia at E&Y Leventhal Real Estate.

More broadly, investors here and abroad hope that the infusion of interest and cash could bolster the real-estate market and help bring an end to eight years of paralysis in the economy.

See JAPAN, Page 13



PAGE TWO

46, were among the 12 Americans known to have died after a bomb exploded near the U.S. Embassy in Nairobi on Friday. In an apparently coordinated attack, a bomb also exploded in Dar es Salaam, Tanzania. Mrs. Hardy was a divorced mother

By Alice Reid, Martin Weil and

Jennifer Ordonez

Washington Post Service

U.S. Embassy in Nairobi, She wanted

to return to the home she loved and dote

on her new grandson, family members

gone to Nairobi, with her husband and their two daughters, to start a new

assignment in administration at the

Mrs. Hardy, 51, and Mrs. Kavaler,

Prabhi Guptara Kavaler had just

and friends recalled Saturday.

embassy there.

ASHINGTON - Molly

Huckaby Hardy had been

waiting all summer for

someone to take her place

who brought up a daughter alone and won a reputation as "the fun mom" while serving on three continents during a 20-year State Department career. Mrs. Kavaler, a Foreign Service officer whose husband was also a Foreign Service officer, was "beloved by





Marine Sergeant Jesse Nathanael Aliganga. left, fulfilled an ambition when he was promoted in July. Air Force Senior Master Sergeant Sherry Lynn Olds joined up 20 years ago.

For Families and Friends, Grief of Losing Loved Ones

Reverberations of Embassy Blast/ Tragedy a Long Way From Home

everyone who ever met her," her

Friends and relatives struggled to

After the first reports of the bomb-

ings in Africa, Mrs. Hardy's daughter,

Brandi Plants, 24, who has been living

in her mother's town house in Centre-

ville, Virginia, with her husband,

Rick, and their baby, Devin, said she

waited all day Friday to hear from the

Mrs. Hardy had been told that a

replacement for her would arrive in

Nairobi in June. Then she was to come home this month. Eventually, the date

was delayed until September. On Fri-

day, with the airwaves filled with re-

ports of the bombing, and her mother still in Nairobi, Mrs. Plants said she

I knew it was where she worked, but I didn't know if she was there," Mrs. Plants said. "By 3:30 or 4 P.M., I guess I knew. I just knew that if she was alive

State Department officials, who

had told Mrs. Plants that her mother

was missing, arrived at the house late Friday afternoon to tell her that her

mother was dead. Mrs. Hardy's moth-

When I turned on the TV and it said there was a bomb at the embassy,

felt a particular dread.

she would have called me.

come to terms with the deaths.

mother-in-law said.

er, Jayne Huckaby, last saw her daughter in April 1997, when Mrs. Hardy returned to her home town of Valdosta, Georgia, for the funeral of her younger sister and only sibling, Patti, who had been killed in a col-

lision with a dump truck. "Her mother is just devastated," a family friend, Marsha Bates, said in a telephone interview. "She has lost her only two children in 15 months."

Mrs. Hardy's relatives and friends remembered her as a warm, generous and lively woman who relished the foreign postings that had taken her to Asia, South America and Africa.

ECENTLY she had been warming to her new role of grandmother and was looking forward to seeing more

Mrs. Kavaler was born in India, the daughter of a university professor, and she met Howard Kavaler, her future husband, when he was assigned there on his first State Department tour, about 20 years ago, according to Pearl Kavaler, her mother-in-law.

Mrs. Kavaler, who received a master's degree in sociology from the University of New Delhi, before becoming an American citizen, moved around the world with her husband on assignments that took them to Pakistan, the Philippines, Israel, Paris and, once before, to Nairobi.

A few years ago they bought a house on a quiet street in McLean, Virginia, where their older daughter, Tara, 10, attended Chesterbrook Elementary School and Mrs. Kavaler, according to a neighbor, immersed berself in school activities.

The younger daughter, Maya, who is 5, was to start kindergarten this year in Nairobi. The family arrived in Nairobi 10 days ago, said Pearl Kavaler, in a elephone interview from her home in Palm Beach Gardens, Florida. The day before the bombing, Mrs. Kavaler took the older girl for an evaluation in Nairobi to see what grade would suit her there. Now the children are coming back to the United States with their father for their mother's burial in Washington, Pearl Kavaler said.

"My daughter-in-law was somebody who was beloved by everyone who ever met her," she said, describing her as lively and vivacious, "a wonderful mother" and "a very good daughter" to her and her husband,

She said Mrs. Kavaler's mother

York, and a brother lives in Switzerland. Her father died when Mrs. Kavaler was 5, she said.

The fear felt by Mrs. Hardy's daughter when she heard of the explosion was shared by Evelyn Olds, of Panama City, Florida, whose daugh-ter, Air Force Senior Master Sergeant Sherry Lynn Olds, 40, was also listed as among the Americans killed in Nairobi.

"I knew it was bad when I turned on the TV at 5 A.M.," Mrs. Olds said. She said she spent the rest of Friday 'in limbo," waiting for officials from nearby Tyndall Air Force Base to confirm her fears. Sherry would have contacted her and her husband, Delbert, if she had been alive, Mrs. Olds said.

Miss Olds joined the Air Force 20 years ago after graduating from junior college. She had at least two ambitions. "She wanted to see the world," her mother said, "and she wanted to finish her education." She did both, eventually receiving a degree from the University of South Carolina.

Miss Olds had been assigned to the embassy in Nairobi for the last year. Last month, she attended noncommissioned officer school in Birmingham, Alabama, and made it home to visit her parents. "She was very independent, industrious, caring and thoughtful," her mother said.

On the day of the bombing, the mail at Mrs. Olds's home in Panama City included a short note from her daughter. It said she had returned to Africa safely. Mrs. Olds played a videotape her daughter had made during a visit to a game preserve. The animals appeared on the screen. Miss Olds narrated.

"I couldn't see her," her mother said, "but I could hear her voice."

"N Tallahassee, Florida, relatives of Jesse Nathanael Aliganga, a 21-year-old Marine sergeant also killed in the bombing, remembered him as a little guy with a

"He had so many goals," said his mother, Clara Aliganga, 43, who runs a day-care center out of her home. He wanted to make sergeant in his first four-year tour, and was proud when he did in July. After postings in Okinawa, Japan and Camp Pendleton, California, he finished the security guard school in Quantico and was sent to Nairobi.

Sergeant Aliganga was born in Oakland, California, and grew up in Pensacola, Florida, becoming an en-



Molly Huckaby Hardy had been planning to leave her job and return home.

ergetic youth whose interests included

drawing, reading Greek mythology, and playing the saxophone.

At first, Mrs. Aliganga said, the State Department told her that her son was in the hospital. But later Friday, she learned that he was listed as missing. And Saturday morning military officials came to her home to tell her he had died at his post.

■ Names of U.S. Casualties

The State Department has identified the 12 Americans killed in the Nairobi embassy bombing:

Marine Sergeant Jesse Nathanael Aliganga; Jay Bartley, son of Consul General Julian Bartley, who also was killed; Jean Dalizu, defense attaché's office: Molly Huckaby Hardy, a State Department employee; Army Sergeant Kenneth Hobson 2d, 27, of Nevada, Minnesota; Prabhi Kavaler, Foreign Services officer, Arlene Kirk, 50, of South Bend, Indiana, an air force employee; Louise Martin, 45. of Atlanta, an employee of the Centers for Disease Control and Prevention in Kenya; Air Force Senior Master Sergeant Sherry Lynn Olds; Michelle O'Connor, general services office; Tom Shah, political section.

### U.S. Eases **Entry Rules** To Improve Iranian Ties

By William Branigin Washington Post Service

WASHINGTON — After having. warmly welcomed a U.S. wrestling team to Tehran, Iranians were incensed. when a dozen of their own wrestlers landed in Chicago in April only to be promptly fingerprinted and photographed at the airport by immigration

The outrage swelled in June when seven visiting Iranian scholars, including a 79-year-old poetry professor, were detained for two hours on arrival in New

York and given the same treatment. Since then, the United States has quietly modified a 1991 policy that required immigration officers to finger-print first-time visitors from Iran, Iraq, Libya and Sudan — countries that the U.S. government accuses of supporting terrorism. In a little-noticed regulation published July 17 in the Federal Register, Attorney General Janet Reno, who oversees immigration officials, allowed exemptions for "certain nonimmigrants" from the four countries "when ! such action is deemed to be in the interest of foreign policy or national security."

In practice, officials said, the move is . aimed at promoting the "wrestling diplomacy" that has developed between the United States and Iran since the two governments began making overtures toward each other earlier this year. So far, . the exemption has been invoked twice. The first time was last month when another Iranian wrestling squad arrived in New York a few days after the rule took effect to participate in the Goodwill. Games. The second was on Tuesday. when an Iranian youth wrestling team flew in for a tournament in Nevada.

"We wanted to facilitate these; people-to-people contacts in a way that wouldn't damage our own national se-curity interests," a State Department official said. The new policy "stems from a desire to be courteous to people . we said we would welcome." It was formulated after Secretary of State Madeleine Albright intervened person- . ally with Ms. Reno, officials said.

The wrestling diplomacy is part of a ... fitful rapprochement between nations that have had no diplomatic relations since November 1979, when Iranian militants took 52 Americans hostage at the U.S. Embassy in Tehran and held most of them for 444 days. But the latest gestures are stirring the same sort of tensions within Iran — between hardline followers of the country's Islamic spiritual leader on one side and a more moderate government on the other that led to the embassy seizure.

The United States still lists Iran as the world's top "state sponsor of terrorism."
Yet, the Clinton administration wants to explore the Iranian overtures.

The conciliatory moves started in January when President Mohammed Khatemi, a moderate elected last year, expressed regret for the hostage-taking and called for breaking down "the walls of mistrust" between the two countries through exchanges of cultural and sports delegations.

But his chief adversary, the "supreme leader" Ayatollah Sayed Ali Khamenei. rejected any rapprochement with the "Great Satan," as radical Iranian clerics have dubbed the United States.

U.S. officials remain wary that hardliners could derail U.S.-Iranian rela-

# Congo: A Fragile Giant Beset Again

#### Ethnic Bloodletting Feared as Rwanda Is Blamed for Rebellion

By Lynne Duke Washington Post Service

KINSHASA - With nationalistic rhetoric at fever pitch here as President Laurent Kabila faces an armed revolt, Congolese leaders scoff at the notion that outsiders can decide this proud nation's fate.

But a sad fact of Central African geopolitics is that the continent's third-largest nation, formerly called Zaire, has been so hobbled and vulnerable in recent years that its neighbors have easily pushed it around.

Fifteen months ago, a regional military coalition of Rwanda, Angola, Uganda and Burundi, along with disaffected Congolese, ousted the despised dictator, Mobutu Sese Seko, and catapulted Mr. Kabila into the presidency of the country he renamed

Now, with Rwanda leading a new anti-government revolt, fighting that raged in several parts of the country last week has sparked international fears of a broad regional assault on Congo yet again, with Mr. Kabila and his fragile regime the tar-

This complex new conflict could plunge parts of this region into intense ethnic and cross-border conflict, rendering Congo an even more unstable place than it has been in recent years.

Control of the Contro

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For the United States, the ates relations in the region, especially with Rwanda. Washington sees Rwanda as a close ally, although it has though Angolan security of Congolese territory. Tutsi cipublicly admonished the government for sending troops

sources are thin and his country's infrastructure still suffers from Mobutu-era decay. In his favor, though, is the intensified nationalism, heavily dosed with ethnic hatred. that the conflict has sparked. Congolese may not be fully behind Mr. Kabila and his

policies, but NEWS they are fully ANALYSIS behind their nation's new cause: defending Congolese sovereignty against attack here would like to believe is insignificant

Rwanda is nothing compared to Congo. It is nothing, madame," said Tsaqu Lau, 31, a Kinshasa man in search of work. "I want President Kabila to finish it, because the Rwandans have been making trouble for a long time."

nated by the Tutsi ethnic group, has sent troops into Congo in support of a Congolese Tutsi revolt that started a week ago along the eastern border and here in the capital, U.S. officials say.

Although no evidence has emerged to support the claim, Mr. Kabila has accused Rwanda's close ally, Uganda, of involvement as well. Both nations deny any involve-

With the rebels having boldly leapfrogged from far coast in the west, all eyes coast in the west, all eyes "You could have large num-have turned south, to Angola, bers of people killed in internew fighting deeply complic- to see what, if anything, that ethnic conflict." neighbor will do.

has emerged thus far, al- lish a "Tutsi empire" on ficials were in the Rwandan vilians still remaining in this capital. Kigali, on Friday. capital over the past week Mr. Kabila's army is of are known to be either dis-tured and possibly killed.

questionable loyalty, his re- appointed or downright outraged at Mr. Kabila's goveming style, and Washington is concerned about the possibility of broader foreign involvement in the Congo con-

Rwanda spearheaded the 1996-97 anti-Mobutu revolt to gain security on its western border. Ethnic Hutu insurgents from Rwanda, who were responsible for the 1994 anti-Tutsi slaughter 500,000 people, were using bases in Zaire to launch raids from a neighbor that people across the border against Rwanda's Tutsi-led government. Rwanda also hoped to install a leader in Zaire who would bring some economic stability to the chaotic re-

Kabila's regime, Mг. however, has not solved either of these problems to Rwanda's liking, analysts Rwanda's military, domi- say, and now Rwanda is having another go at shaping

Congo's government.
"They're trying to get right what they did last time," a U.S. government official

"It's a rerun." But the Tutsi ethnic group, which leads the Rwandan regime and also forms a small minority in Congo, is much maligned in the region by other ethnic groups. As such, the Rwandan incursion sets the with the Rwandan agenda in stage for "an enormously dangerous, volatile situeastern Congo to the Atlantic ation," the U.S. official said.

Kabila accused Мr. No Angolan involvement Rwanda of seeking to estab-Rwanda, Uganda and Angola were being rounded up, tor- Burt, a Pentagon spokes-

Thursday that he would create citizens defense groups and issue them guns. Thousands of Kinshasa youth converged on Martyrs' Stadium here to sign up for defense

The rebels hold a halfdozen towns in the east and far west, but government troops reportedly have counterattacked at the western town of Muanda, which independent sources said had fallen to the Tutsi rebels.

A senior member of Mr. Kabila's government ac-knowledged that the violence against Tutsi would continue, especially in the country's east, where Congo's Tutsi population is concentrated near the Rwandan border.

"By starting this war, they made themselves targets, the senior official said of the "They are a small minority, and all the surrounding tribes are against

"It's going to happen, and Clinton and all the people in Washington have to know that," the government official said of the ethnic bloodletting to come. Government officials and

citizens alike here in Kinshasa assume that the United States is somehow involved In this war as in the last one, a small U.S. Special

Forces team was in Rwanda on a training mission when Rwandan troops crossed into When officials learned of the incursion, however, the training exercise was aborted, according to Lieutenant Colonel Nancy

#### TRAVEL UPDATE

#### Paris Pollution Alert

PARIS (Reuters) - Police urged Parisians to leave their cars at home and travel by public transport after soaring temperatures Sunday left a pail of pol-

lution hanging over the French capital.

The French meteorological office said the temperature in Paris hit 38.5 degrees centigrade (101.3 degrees Fahrenheit) on Sunday.

#### This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Ecuador, Grenado, Nicaraguo, Singapore, South Africa.

#### TUESDAY: Chad, Grenada, Jordan, Zim-

WEDNESDAY: Thailand, Zimbabwe. THURSDAY: Central African Republic,

FRIDAY: Bahrain, Bangladesh, Israel, Morocco, Pakistan, Saudi Arabia, Vatican City.

SATURDAY: Andorra, Austria, Bangladesh, Belgium, Benin, Brazil, Burkina Paso, Burundi, roon, Central African Republic, Chile, Costa Rica, Croatia, Cyprus, Equatorial Guinea, France, Gaoon, Gambia, Georgia, Gormany, Greece, Guatemala, Guinea, Haiti, India, Italy, Ivory Coast, Lebanon, stein, Luxembourg, Madagascar, Malta, ritius, Panama, Paraguay, Poland, Portugal, Rwanda, San Marino, Senegal, Seychelles, Slovenia, South Korea, Spain, Switzerland, Tahiti, Togo.

J.P. Morgan, Bloomberg, Reuters.

### WEATHER



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### THE AMERICAS

# Friends and Foes Call On Starr to Wrap Up Inquiry Agence France-Presse: WASHINGTON — President Bill Specter said, adding, "In my letter to Wash want to go through an impeachment." But, Mr. Hatch added, if it was more Counsel Is Rebuked for Leaks But, Mr. Hatch added, if it was more

Clinton's supporters and detractors there's something and make a report if than perjury, "then it's pretty darn secalled Sunday for a speedy resolution of there's nothing." the Monica Lewinsky case that has distracted the White House since January.

Senator Arlen Specter, a Pennsylvania
Republican, told CBS News that he had

Senator Orrin Hatch, Republican of Utah, also stressed the need to find a asked the independent counsel. Kenneth Starr, for a report very soon that includes a determination of whether or not the tern or encouraged her to lie.

"Let's get along with the business of the country," he said.

speedy end to the investigation.

president perjured himself in denying an affair with the former White House inchairman of the Senate Judiciary Committee, "I really believe that the Amer-

Senator Joseph Biden, Democrat of Delaware, urged the president to talk to the American people.

"If nothing happened, I think he should come forward and explain what If there was perjury, and the president he's told the grand jury just to clear the really makes a clean breast of it to the air," he said. "And if something did happen, I think he should, before he goes to the grand jury, explain."
"I think he should cauterize this

"I hope that Mr. Starr submits his ican people will say "We wouldn't like wound one way or another," Mr. Biden report before the end of Angust," Mr.

## For Clinton, Risk in Saying He's Sorry

By Susan Schmidt Washington Post Service

political advisers, talking heads of every partisan stripe and even the chairman of

the Senate Judiciary Committee have all But the "mea culpa" scenario which assumes the unproven

theory that President Bill Clinton has not told the truth about his relationship with the former White House intern - is fraught with enormous risks. Mr. Clinton faces grand jury questioning on Aug. 17 by the independent counsel, Kenneth Starr. If the president reverses his sworn denial of an affair with Ms. Lewinsky, he

committed perjury. woman" in Ja
"Starr would — if the president were affect the way
to say he had in fact lied in the Paula Starr's report.

Jones suit — write a very tough report to Congress or indict him," said Jane Sherburne, former deputy counsel in the Clinton White House. "It carries a high risk and collateral consequences."

White House officials insist that the president told the truth in January when he said he did not have a sexual relationship with Ms. Lewinsky or urge her to lie about it under oath. Despite Ms. Lewinsky's grand jury testimony last week that she had numerous sexual encounters with Mr. Clinton in the White House, Mr. Clinton's term, most notably raising the car license aides say he has no intention of changing tax. But Mr. Clinton argued strenuously his story when he testifies next week.

But, with what one outside presidential adviser called a "mound of evidence" now pointing to the contrary, the phrased a television ad simply to say he political pressure for an accounting by the president — even if it conflicts with if voters gave him a second chance. his earlier statements — is growing.

are political as well as legal. For Mr. tion strategy during the Gennifer Flowers Clinton, admitting he lied about an affair controversy, he and Hillary Rodham might take the sting out of Mr. Starr's Chinton appeared on "60 Minutes" and

but written the script for a presidential that has largely said it is weary of Mr. Starr's investigation and believes sex is a private matter could abruptly mrn away having a tryst with Ms. Flowers, although from the president who so publicly he said it only happened once.

> The 'mea culpa' scenario assumes the unproven theory that the president has not told the truth. But if he reverses his sworn denial of an affair with Monica Lewinsky. he would essentially be admitting to having committed perjury.

would essentially be admitting to having denied any sexual relations with "that woman'' in January. Such a shift could affect the way Congress handles Mr.

Privately, many Clinton advisers say they would be astonished if the president follows the mea culpa route, so thoroughly does it contradict his temperament and previous history. At past junctures, he has avoided public acts of contrition even when his aides pushed such a strategy.
In 1982, when he was trying to win

back the Arkansas governor's mansion two years after being ousted, Mr. Clin-ton's advisers wanted him to apologize to the state for unpopular actions in his first with the consultant Dick Morris about whether even to use the word "apology," and in a last-minute switch rewould not make the same mistake again

Similarly, in 1992, when his presi-

WASHINGTON — White House expected report and lessen chances of impeachment proceedings by an already riage." But he denied Ms. Flowers's refluctant Congress.

But it could backfire, too. A public admitting that he ever had sex with her.

Only under eath nearly six years later in

> The view that a public statement by Mr. Clinton would dispense with the Lewinsky matter is almost said. Mr. Starr's long-running Whitewater inquiry, Mr. Carville said, has taught the president that trying to provide information in an investigation never puts the questions to rest.

His advice: "Go in, tell the grand jury the truth, go on vacation."

While many advisers find it implansble that Mr. Clinton would make any kind of full admission, they consider a partial acknowledgment more possible. Under this scenario, advisers say, Mr. Clinton could offer some vague explanation in which he suggests that he allowed a relationship to become inappropriately close, but not the intimate affair that Ms. Lewinsky reportedly described in her grand jury testimony. Skeptics call this the "I didn't inhale" defense, recalling Mr. Clinton's famous answer to whether he ever smoked marijuana, and argue that such a hedged admission would not solve the problem.

Acknowledging that he lied in his Jones deposition about Ms. Lewinsky would be tantamount to admitting per-jury. Mr. Clinton's lawyers would very likely argue that his denial of sexual relations with her was not even material to the Jones case and therefore did not The risks of an about-face; however, dential campaign went with the contri-

Peter Baker of The Washington Post reported earlier.

While an order by a federal judge that leaks in the Lewinsky investigation justify an inquiry did not make a final determination that Mr. Starr improperly leaked, it represented a stinging rebuke from a judge who generally has sided with prosecutors through their investigation of the president.

In a ruling from June 19 that was unsealed Friday, Judge Norma Hollo-way Johnson of U.S. District Court cited specific reports that appeared to come from Mr. Starr's office and said she was not persuaded by the independent counsel that his staff was not the source of the

"The Court finds that the serious and repetitive nature of disclosures to the media of material strongly militates in favor of conducting a show-cause hearing," she wrote in ordering Mr. Starr to prove he had not broken rules barring prosecutors from revealing grand jury information.

An appeals court ruled last week that Judge Johnson can proceed with her investigation into the matter but it restricted the ability of Mr. Clinton's lawyers to participate, warning that the dispute could become "an unnecessary detraction from the main business of the

grand jury's investigation."

Judge Johnson chided Mr. Start for Lewinsky matter is almost certainly wrong, the political adviser James Carville interpreting secrecy restrictions too narrowly and called a comment he made to a television crew about a sealed ruling 'a violation of a court order not to

discuss the ruling."
On Friday, Mr. Starr again denied providing reporters with grand jury information and pointed to witnesses and their lawyers as possible sources for

news reports. Judge Johnson's ruling was among a thick stack of court documents made public Friday that provide the first glimpse of a furious, months-long legal battle waged by Mr. Clinton's attorneys to prove that Mr. Starr had overstepped his bounds.

In pressing the leak allegations, the president's camp hopes to undermine Mr. Starr's investigation into whether Mr. Clinton committed perjury or obstruction of justice during the Paula Jones lawsuit by covering up an affair with Ms. Lewinsky.

Clinton advisers seized on the documents Friday, calling Mr. Starr the first independent counsel investigated by a court for possible criminal wrongdoing in the course of his investigation.

"The endemic and casual disclosures of grand jury information which have characterized the past seven months of the OIC's investigation are highly un-professional and utterly indefensible," said David Kendall, a Clinton attorney, referring to the office of the independent

#### POLITICAL NOTES

#### Independent Hawaii?

WASHINGTON - Marking the 100th anniversary of the U.S. annexation of Hawaii, scores of protesters marched from the U.S. Capitol to the Ellipse, raising questions about how the 1898 annexation measure was drafted and demanding full sovereignty from the U.S. government.

Demonstrators said the march Saturday was held to heighten awareness in Washington of the growing support for sovereignty among native Hawaiians. Until recently, they said, the push for independence had been weakened because several pro-sovereignty factions fiercely competed for attention from the state's dwindling population of native Hawaiians.

Police officials no longer provide crowd estimates on demonstrations in the capital, but organizers said they had more than 200 participants.

The march came five years after President Bill Clinton signed a historic Senate resolution acknowledging the U.S. government's involve-ment in the 1893 overthrow of the independent Hawaiian government, then led by Queen Liliuokalani.

Several protesters, arguing that the resolution Mr. Clinton signed in 1993 did not settle claims against the United States, pledged to intensify pressure will be primarily focused on passing on the government to return land once annual spending bills in September. owned by native Hawaiians.

The organizer of the march, Butch Kekahu, 54, of Kauai, said that achieving independence is "the consensus of the Hawaiian people." He added, "We want to educate the American people about what they did." (WP)

#### Tobacco Bill Fizzles

WASHINGTON — Confident that there is no pressing political need to done."

pass an anti-smoking bill this session, several key House Republicans have indicated that the legislation is all but

dead for the year.

The dwindling prospects for even a modest tobacco bill come as the industry is continuing its national advertising campaign against a comprehensive measure, which is running in at least 17 states. It appears targeted at the districts of Republican leaders, including such small markets as Grand Junction, Colorado, home of Repre-sentative Scott McInnis, a member of the leadership's tobacco task force.

Several Republicans now say they have received no indication that voters are demanding legislation this year, which would serve as the major impetus for passing a bill.

When asked about the subject, the National Republican Congressional Committee chairman, Representative John Linder of Georgia, simply began opening and closing his hand in a slow wave. "Say good-bye to tobacco," he said. "It's gone."

Mr. McInnis said Congress's failure to act before adjourning for the summer recess has severely damaged the bill's prospects. While the public disclosure of a damning tobacco industry document could galvanize public opinion for legislative action over the recess, he cautioned, the House

#### Quote/Unquote

President Bill Clinton, in his weekly radio address, describing the American response to the bombings of two U.S. embassies in Africa: "No matter how long it takes, or where it takes us, we will pursue terrorists until the cases are solved and justice is

#### Away From **Politics**

•A man who returned from the Brazilian rain forest with flesh-eating screwworm maggots on his scalp may have introduced the lethal insect to northern Alabama, health officials said. During the insect's three-week life cycle, the eggs become larvae, which then feed on the host's flesh until they turn into flies. Screwworm larvae can devour a 600-pound steer in five to seven days, experts said. (AP)

•A Louisiana judge has agreed to reduce the sentence of an accused child molester if the man undergoes other cities.

castration, an offer the case prosecutor called unprecedented. He would cut 20 years from a 45-year prison sentence if Jim Elkins, 45, a former elected official and baseball coach, pleads guilty to three counts of child molestation and has surgery to remove his

 A former White House intern has been charged in New York with harassing George Stephanopoulos, a former senior presidential adviser, by showing up at his home and his workplace and sending him letters. Tangela Burkhart, 30, has been arraigned on charges that she trailed Mr. Stephanopoulos to private meetings, a coffee shop and a deli, and followed him to



PEDAL POWER - Irene Saez opening her campaign for the Venezuelan presidency in Caracas. An independent, she is the former mayor of a Caracas district. She was the 1981 Miss Universe.

### Philadelphia Inquirer Reporter Sues His Own Editor for Libel

By Howard Kurtz

WASHINGTON - A Philadelphia Inquirer reporter, Ralph Cipriano, has sued his editor, a move so unusual that no one could immediately recall a pre-

Mr. Cipriano is seeking at least \$50,000 plus punitive damages from his newspaper's parent, Knight-Ridder Inc., and the inquirer's editor, Robert Rosenthal, for what the lawsuit calls false and defamatory statements, 'innuendo' and 'malicious libel."

The dispute stems from Mr. Cipriano's decision to write an investigative article on the local Roman Catholic archdiocese for the National Catholic Reporter, after charging the newspaper re-

fused to publish much of his material. Mr. Rosenthal said at one point that on he subject of the church, Mr. Cipriano has a very strong personal point of

view and an agenda." There were things we didn't publish that Ralph wrote that we didn't think were truthful," the editor added. "He malign the Catholic Church."

could never prove them."

Those remarks, according to the law-suit filed Friday, "destroyed the repu-tation of Ralph Cipriano in that a rea-sonable reader would infer that Ralph Cipriano is dishonest and engaged in

unethical and illicit conduct." The Associated Press followed up and gave the story national distribution, the

An Inquirer spokeswoman, Pamela Browner, said: "We disagree with Ralph because we believe our coverage of the Archdiocese of Philadelphia has rence Joseph, acknowledged during a been fair, accurate and relevant. We meeting that one thing is always certain regret that Ralph has chosen a lawsuit as when local students get scholarships to his means of addressing the matter of Cuba. Unlike those who enroll in Brihow the Inquirer covers a topic of great interest to our readers."

Mr. Cipriano indicated in June that he had trouble getting the Inquirer to publish documented allegations of mismanagement by Cardinal Anthony Bevilacqua, who he said "was a sacred cow at

Cardinal Bevilacqua has criticized Mr. Cipriano for trying to "unjustly

#### **CASTRO:** No Longer Menacing

Continued from Page 1

mischief generated a bonanza of aid and attention for the newly independent English-speaking states in the Carib-bean. Even as the other islands were being promised preferential trade benefits as part of a regional Caribbean Basin Initiative, some 6,000 U.S. troops invaded Grenada in October 1983 to expel Cuban forces, and Washington followed that up with a promise to bring Grenada into the circle of preferred treat-

The 1990s, in contrast, have seen the Clinton administration close down its regional aid office, downgrade the embassy here to a mission and slash aid, grants and scholarships. While Cuba, itself economically prostrate, cannot make up for that gap, Mr. Mitchell and his regional colleagues have seized on Cuba's own need for friends in hopes of

creating a countervailing weight to Washington's indifference.

Whether such a strategy will work is another matter. "In a post-Cold War world, this region unfortunately is no longer relevant" to the great powers, one diplomat in the region said. Carib-bean leaders may see Mr. Castro as a useful card to play to get Washington's attention, "but I'm not sure even that is

true," the diplomat added.
"Cuba wants to be headmaster of the Caribbean family, but since it is a Soviet proxy no longer, the United States really doesn't worry about it."

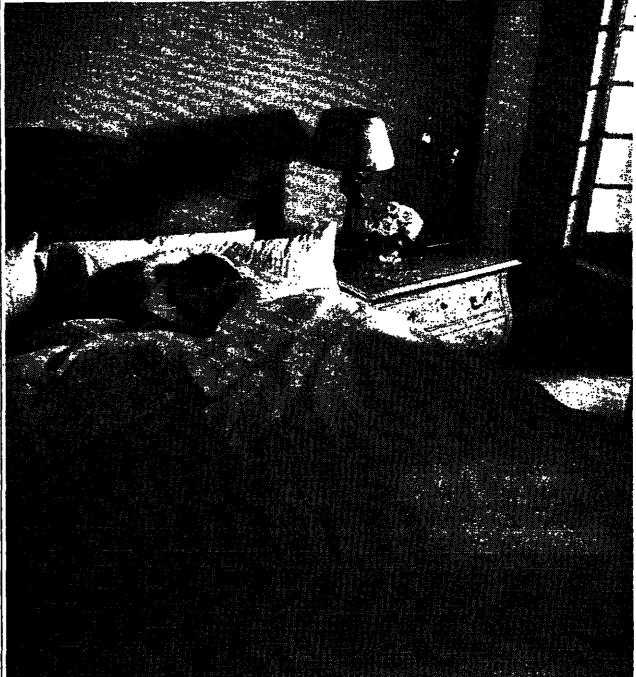
During the heyday of Cuba's alliance with Grenada, Mr. Castro aimed high, agreeing to build an airport that could be used to bring in tourists — and to refuel Cuban planes ferrying troops to and from Africa. This time around, what he was offering seemed modest, even in-nocuous, reflecting straitened circumstances in both countries: a new wing on a hospital here and 22 additional scholarships for Grenadians to study at Cuban

For Cuba, the principal benefit of such aid efforts is not that they advance a geopolitical strategy. Rather, it is that they provide employment for Cuban doctors, engineers and teachers who would otherwise be idle at home or seeking jobs as hotel doormen or taxi

Perhaps the most telling moment of Mr. Castro's visit, however, came when the Grenada education minister, Lawtain, Canada or the United States, they always return home just as soon as their studies are done.

in The Intermarket

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**Group Carried Democracy Pamphlets** 

BANGKOK - Burma's military government detained 18 foreigners Sunday for distributing pamphlets the govern-ment said were aimed at inciting unrest. The detentions came a day after the

10th anniversary of a nationwide uprising against military rule passed without unrest anywhere in Burma, according to the government.

Those held included six U.S. citizens, three Thais, three Malaysians, three Indonesians, two Philippine nationals and one Australian, a government official said in a statement faxed to The Associated Press in Bangkok. The coalition of private organizations

that sent the activists confirmed the nationalities but released the name only of Jaran Dithachai, a political science professor at Bangkok's Rangsit University, pending notification of families. Annelyn Deluna, a coalition member,

said that all 18 activists sent to Burma to hand out "goodwill messages" supporting human rights and democracy had been arrested.

We thought there were six who reached the airport, but it seems that the last time they were seen they were being brought to an office in the airport," Miss Deluna said.

The government statement said 18 foreigners were apprehended attempt-

ing to incite unrest in Rangoon. Pamphlets and other seditious material were found in their botel rooms, it said.

The government identified the organizers as Na Ga Forum Asia Group, but the activists told The Associated Press that that was the name of their travel agency.

The government said the foreigners arrived on tourist visas Friday from Bangkok and planned to leave Sunday. No names were released.

Despite these efforts for agitation, conditions in Rangoon, Mandalay and other parts of the country are peaceful and calm," the statement said.

Embassies had no immediate information about their citizens in detention. Diplomats said the government would not be legally bound to report arrests for

#### ■ Anniversary Is Quiet

Seth Mydans of The New York Times reported earlier:

The 10th anniversary of a crackdown on pro-democracy demonstrators passed quietly in Burma without the violence many had feared, but also without any sign of a resolution of the country's deepening problems.

official said there were no demonstrations Saturday, after warnings from the government and a reported call for calm by the opposition party, the National League for Democracy.

"I drove past some key points this morning, including the university and the NLD office, and I didn't see any additional security measures anywhere," said a diplomat in Rangoon.

Although the anniversary passed quietly, there could be stepped-up activity

in the coming two weeks by the op-position, led by Daw Aung San Suu Kyi. She has set Aug. 21 as the deadline for convening the National Assembly, which was elected eight years ago in a vote that was annulled by the military after her

party won 80 percent of its seats. Since then, the military rulers have systematically harassed and imprisoned the elected opposition members and their supporters, and have choked off any attempts at public protest.

Fearing student unrest, authorities have closed the country's universities for almost eight of the past 10 years. Kent Wiedemann, the top American

diplomat in Burma, said the opposition was "clearly taking the initiative at this moment" in an effort to force some liberalization.

'There's a principle involved: Yes they want to have the election finally recognized," Mr. Wiedemann said of the Aug. 21 deadline. But practically speaking, he said, the immediate goal of the opposition is to bring the country's



Michelle Keegan, an American human rights activist, giving a monk a leaflet at the Rangoon airport Sunday.

### A Graveyard for Ships Is a Nightmare for Workers

By John F. Burns

million miles of plying the world's oceans, the Milagro, a 35,000-ton, Malta-registered bulk carrier, completed recent afternoon and dropped anchor off ist this windswept point on India's northwest coast.

zigzag course toward flapping red and yellow flags on the beach. Smoke pouring from her funnel, the vessel sailed the last few hundred yards full steam ahead and rose gently into the air.

Few maps show Alang, a soulless spot on the coastline of Gujarat state 300 kilometers (185 miles) northwest of Bombay. But in recent years, what had as the graveyard for almost half of the ships scrapped by the world's navies and merchant marines.

Alang's drawing card has been its natural conditions — heavy tides and a

gerous, backbreaking job of cutting and hammering the ships into scrap.

along the beach. One of Mr. Panagiotis's electricity nor toilets, across from the tasks was to complete financial arrange—shipbreaking yards. Most of the mi-

Just as important, environmental and ALANG, India - After more than a safety regulations that make shipbreaking prohibitively expensive in the United States and other major industrialized countries are rare here, and her final journey from the Gulf on a largely unenforced even when they ex-

500,000-ton Japanese supertankers and After waiting for the high tide that in 1995 even the U.S. aircraft carrier comes with a full moon, the ship's Greek Bennington, which saw service in the captain, Marinos Galatoulas, raised an- Vietnam War, have been scrapped by chor and nosed her inland, steering a armies of mostly illiterate migrant workers, many of them earning as little as \$2.50 a day.

For the Indian shipbreaking compa-nies, there has been no need for dry until her rusted prow crested the shore docks and piers, only grimy, oil-slick and rose gently into the air. docks and piers, only grimy, oil-slick patches of beach known as "plots," sparse brick structures to serve as offices, and winches to haul the scrap back from the shoreline.

once been a poverty-stricken village has the finality that accompanies the last have questioned the propriety of allow- gases and falling steel, according to Capbecome the world's biggest shipbreak- moments of the doomed ships, which ing organizations decommissioning tain Vivek Pandey, overseer of the yards ing yard. In the 1990s, Alang has served arrive at the rate of two or three a day when tides are running high.

"You feel like a hangman," said Andriopoulos Panagiotis, 59, a former supertanker captain assigned by the Milagro's Greek owners to oversee the gently sloping beach that allow a ship ship's handover to Shreeram Steel & simply to be run up into the sand — as Rolling Ltd., operators of Plot 119, one well as the availability of limitless of 183 shipbreaking yards that stretch additional riot police or troops or any amounts of cheap labor for the dan- more than 10 kilometers (six miles)

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tasks was to complete financial arrange—shipbreaking yards. Most of the mi-ments with the shipbreaking yard, which grants come from three distant states, paid the Milagro's owners \$1.2 million

The 347 ships scrapped here last year, many of them from South Korea, Japan, the Philippines, Russia and the United States, helped generate at least \$500 Vessels like the Milagro, mammoth million in earnings for the yards, perhaps gloves, workers toiled on the ships in a third of it profit after accounting for the shipbreakers' costs in buying the vessels and paying their labor.

According to the Gujarat Maritime Board, the state agency that oversees Alang, the industry employs 40,000 migrant workers on the beaches, generates jobs for at least another 200,000 people Indian rolling mills. But Alang's success has been accom-

ships for scrap, including the U.S. Navy, to sell the vessels to foreign shipbreakers who observe few if any of the regulatory standards that have virtually crippled shipbreaking in the United States.

In the last two years, congressional hearings have resulted in tightened scrutiny of the sale of U.S. ships to Alang, and in tougher environmental standards that have discouraged the sale of many U.S. merchant ships. Stricter oversight has also halted, at least for now, Alang's purchase of U.S. Navy ships, which have been sold for scrap in large numbers since the end of the Cold War.

Congressional concern has reverberated in India, where authorities have scrambled to begin drawing up minimal standards of safety, health care and housing for Alang's workers.

According to officials at Alang, the combination of tighter U.S. regulations and growing environmental and safety markets for their vessels at similar shipand Vietnam, where regulation is said to be even less rigorous than at Alang.

Alang's workers live in shum con-

Uttar Pradesh, Bihar and Orissa, among the poorest in India.

But more than the living conditions. concerns have focused on job hazards. Until recent months, when yard owners began distributing helmets, goggles and cotton pants or loincloths, often bareheaded and barefoot. The workers equipment has always been rudimentary, mostly oxyacetylene cutting torches, sledgehammers and the rusting winches that pull the scrap steel and equipment onto the beach.

Until recently, emergency medical in associated enterprises and provides help and firefighting equipment were 2.5 million tons of steel annually for minimal. Even now, with new safety minimal. Even now, with new safety rules haphazardly enforced and two small beachfront clinics that are fipanied by growing controversy, mainly nanced by the shipbreakers, at least two in the United States, where environ- workers die every month, and dozens The desolate scene is made more so by mentalists and human-rights activists more are injured, mostly from exploding for the Guiarat Maritime Board.

He said accident victims were eligible for compensation payments of up to \$6,250, but anecdotal evidence among the workers suggested payments have often been far lower, where they have been paid at all.

The mood among the workers is subdued, even sullen. In the yards, under the careful watch of supervisors, few of the workers were ready to talk about their lives. But during a lunch break, a small group sheltered from the harsh sun under a thorn tree above the beach painted a gloomy picture.

The men said that the yards' exclusion of unions left workers powerless and that promised benefits, including compensation when they were injured, were frequently denied

The men said they earned \$75 a month for a six-day week, working from 8 A.M. to 7 P.M., about average for unskilled consciousness in India has prompted industrial workers in India. Of this, they many shipowners to find alternative said, they tried to send at least \$17.50 a month home to their families in Bihar. breaking yards in Bangladesh, Pakistan At nights, they said, they went from the yard to their shack, to cook an evening meal before the light failed.

"It's not a good way to live, but ditions, in wooden shacks with neither what's our choice?" a worker said.

#### BRIEFLY

#### **Both Afghan Sides** Claim Northern City

KABUL — Afghanistan's northern alliance claimed to have pushed the Taleban militia out of the city of Mazar-i-Sharif on Sunday, but the Taleban claimed still to hold the city after capturing it on

Mazar-i-Sharif is the biggest city in the north of the country. It lies 300 kilometers (190 miles) north of

Neither side's claim could be confirmed.

The northern alliance was expected to mount a fierce defense of Mazar-i-Sharif, and — if the Taleban entered the city — a fierce counterattack. The loss of Mazari-Sharif would be a severe blow to the alliance because it is backed into a dwindling corner of northern Afghanistan.

By the same token, the capture of the city, which was once the northern alliance's capital, would be a boost to the Taleban's four-year campaign to impose a strict Islamic rule throughout the country.

Elsewhere, the opposition alliance was under pressure Sunday after overnight fighting in the Panjshir Valley, near Kabul. (AP)

#### Cambodian Politics Still Seen as Fearful

PHNOM PENH - An American human rights group said Sun-day that violence had decreased after the Cambodian elections but that opposition activists still received threats.

Human Rights Watch said hun-dreds of opposition party workers had fled their homes because of threats from local officials affiliated with the party of Prime Minister Hun Sen

Human Rights Watch said no one had been killed since the elections on July 26, but that several people had been beaten. On Aug. 1, Mr. Hun Sen said he doubted op-position allegations against his party, but he denounced violence as immoral, illegal and unacceptable and called for it to cease.

Human Rights Watch said that violent incidents declined after the prime minister made his comments, and that the decline could be seen as demonstrating his control over

#### South Korea Deluge Kills 3 U.S. Soldiers

SEOUL — Torrential rain subsided Sunday after a four-day delage that left 230 people dead in South Korea, including three U.S. soldiers. The South Korean Army canceled

regular summer maneuvers on Sunday to turn to emergency rescue operations. 'Army chief Kim Dong Shin issued. the order in an urgent meeting of top commanders," a spokesman said.

The army's rescue order came as the

capital and its vicinity - an area with a population of 20 million - was ravaged by the worst flooding in 78 years.

The latest casualties included an

American soldier who died Sunday, apparently after falling into a flooded ditch at Suwon Air Base south of Seoul, according to the U.S. military command.
In a news release, the command iden-

tified two U.S. Army soldiers who died Saturday as Staff Sergeant Jennifer Warner, 35, of Tullahoma, Tennessee, and Specialist Thomas Patterson, 27, of Indianapolis, Indiana

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**Continues** on Page 6

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By John Tagliabue New York Times Service

ROME - Marco Liberali decided not to fiddle around while Rome burned. Seeking relief from Rome's tropical temperatures, the 41-yearold mechanic installed central air-conditioning in his family's apartment on the edge of the city.
"What a difference it makes," Mr. Liberali

said with the assuredness of the newly converted. "Humid heat is bad for you." When Americans rushed to cool their air,

Europeans traditionally just slowed down and endured the summer heat. But now people like Mr. Liberali, who got to know air-conditioning at the hotel where he works, have decided to stop going without.

Europe is gradually warming up to lower temperatures. Sales of air conditioners for homes and small businesses, including central air for homes, have grown more than 20 percent over the last three years, even as they stayed flat in the United States. They are expected to reach \$3.2 billion this year, up from \$2.5 billion in 1996. Credit some of the growth to the pressures of a global economy, which are increasingly forcing

Europeans to work summers. air-conditioning, and Europeans are becoming

more accustomed to it in offices and their cars. Five years ago, hardly any European cars were air-conditioned; now, 28 percent are. Light commercial use — in stores and professional offices — is rising too. As Europeans grow fond of air-conditioning in cars and dentists' offices, more

want it at home. Still, Europe has a long way to go before sir-conditioning becomes the norm. In Italy, 7 percent of homes are air-conditioned, and in Spain 11 percent, compared with 71 percent in the United States and more than 90 percent in Japan. European hotels, post offices, police stations, even hospitals, except for operating rooms, generally do not have air-conditioning.

"The domestic market is really on the edge of a boom," said Jacques Benoist of Eurovent, an industry association based in Paris. 'But it hasn't happened yet."

The first reason, of course, is price, which is compounded by energy problems. In some countries, like Italy, sufficient electricity is scarce. Typical Italian homes are equipped with smaller circuit breakers than American homes, and a separate circuit for air-conditioning costs as much as \$400.

Though temperatures in Granada, Spain, or Air pollution is also bolstering the demand for reconditioning, and Europeans are becoming York, Europe's reluctance also can be traced to

the relatively mild climate, with little of the tropical heat that assaults cities like Houston or giants like Mitsubishi and Daikin Industries and Miami. Some experts also point to a tendency for Europeans to favor nature over technology.

A reluctance to embrace technology is bolstered by a conviction that air-conditioning is unhealthy. Italian newspapers, which regularly advise readers how to deal with the heat, warn against it. The weekly health insert of La Repubblica in Rome recently informed readers that air-conditioning can cause colds and sore throats and spread 'germs, viruses and bacteria' through unclean filters.

In the United States, many experts argue the opposite. Indeed, some European doctors increasingly recommend air-conditioning for the elderly and for people with heart trouble and

respiratory ailments. In response, European manufacturers have developed quieter and more efficient models. And increased production, economies of scale and cheap foreign imports will cut prices. In television ads, Italian importers offer cheap Chinese air conditioners free to viewers who order mattresses.

Moreover, as Europe deregulates the energy market, electricity supplies are expected to rise,

thus reducing the cost. So it is hardly surprising that the world's

American leaders like Carrier, a unit of United Technologies - view Europe with interest. European companies, like Riello and De' Longhi

in Italy, are jockeying to catch up.
"The culture of air-conditioning is spread-' said Carlo Segato, head of marketing at De' Longhi, a specialist in portable and room air

The European air-conditioning market did not arrive overnight. It was created after World War II by the companies that pioneered the technology in the United States, including Carrier and York.

In the 1980s the Japanese arrived, introducing small portables and wall models suited to European dwellings. The Americans responded quickly. Carrier bought local manufacturers in Spain and Italy and redesigned its products to meet European demands. De' Longhi began importing Toshiba air conditioners in 1988, then built its own.

The cooling trend has environmentalists across Europe worried. As temperatures climbed over Italy this summer, the country's Green Party argued that air conditioners, while cooling the inside of homes, force out warm air, raising nperatures outside. Moreover, the party argued, more air conditioners mean more ozonetribute to global warming.

"Turning on your air conditioner to day." said Fulco Pratesi, a Green Party spokesman in Rome, "means suffering more from the heat

ютютом. Makers of air conditioners must scramble to find economical substitutes for chlorofluorocarbons, gases traditionally used as refrigerants that were banned by the Montreal Protocol, a 1987 treaty signed by more than 150 countries, because they deplete the ozone layer. Subsequent accords banned the production of the interim substitute, hydrochlorofluorocarbons, after 2020.

Europe's industry is under particular pressure because Germany, Italy and Sweden, heeding environmentalists, want ozone-depleting gases gone by 2000.

De' Longhi uses refrigerants that do not damage the atmosphere, including a butane mixture similar to lighter fluid. But such substitutes are expensive. Sergio Zanolin, De' Longhi's head of research, said butane air conditioners cost 10 percent to 20 percent more than conventional models. While Americans can trundle down to a discount outlet and pick up a window unit for about \$200, the least expensive room models in Europe sell for almost \$1,000 because of low production runs and expensive components.

### In Kosovo, the Search for Shelter

Half of Children Refugees Are Dehydrated, Doctors Estimate

By Mike O'Connor New York Times Service

PORNOC, Yugoslavia — Gzim Shala looked around at the turts of grass, the hard ground where they fought to grow, the skinny trees that gave his family campsite little shelter from the sun, and the turgid stream nearby, blanketed by dancing insects. "This is the best we could find," he

Until last week Mr. Shala was the proud head of his extended family, owner of a house, livestock and equipment earned in 20 years of farming. Now he is one of perhaps 100,000 ethnic Albanians driven from their homes by a Serbian offensive aimed at wresting control over central and western Kosovo from ethnic Albanian guerrillas who are fighting for an independent country.

The refugees have only the slimmest measure of protection against the dis-ease and starvation that international aid officials fear is imminent. A UN official says that the few doctors who have reached refugees estimate that 50 percent of children suffer dehydration and the first effects of malnutrition.

Mr. Shala's family ran through Ser-bian artillery, walked over mountains for four days and set up cathip here. The youngest of his group of 16 is 1, the

With food and foot foam m plastic sheets they got from ethnic Albanian villagers nearby, they can survive in the open, for now, as the rain has

been light so far. The group does not know when, or if, new artillery fire will force renewed flight. They live off moldy bread and green peppers cooked on coals from a

fire built between two rocks. "This is only the beginning," Mr. Shala said. "There will be more hunger and disease because we can't go back home. Everything there is gone, burned. And if we go back, the police will kill

He added that Albanians who returned to one village, Glarev, were 'We saw that village burning on the way here," he said.

In the Kosovo Albanians' tight-knit society many refugee families have been taken in by relatives or strangers. But they and their benefactors are relying on a collapsed economy. The villages where most have found shelter are already lacking in food, clean water and

Refugee officials spoke only on condition of anonymity, for fear of en-langering aid efforts already hurt by government interference. They acknowledged that they were unprepared

for such a massive problem.
"We don't have the personnel to go out there and even assess the situation

properly," one UN official said.

In the village of Prapa Can, where refugees have swelled the population to 3,500 from 1,000, Dr. Shyt Shala's delivery room has a rough concrete floor, a single light bulb and a candle for use when the electricity goes out.

'I suppose I see about 30 women a day for prenatal care and delivery," Dr. Shala said. "Three are in labor here now, but I have only five sets of sterile gloves, so by tomorrow we'll be back to primitive medicine.

"We ran out of the normal prenatal medications like hormones and anti-biotics about two weeks ago," added

The government considers this enemy territory, as it does other refugee enclaves in Kosovo. Ethnic Albanians outnumber Serbs roughly 9 to 1 in the province.

the doctor, who was almost too tired to speak. That was just after the offensive began, he said. "If there is a premature birth, we can't get the mother to a real clinic. Last night and a week ago a baby died because we couldn't help them."

The government considers this enemy territory, as it does other refugee

enclaves in Kosovo. Ethnic Albanians outnumber Serbs roughly 9 to 1 in this impoverished province of 2 million, and most of them support the rebels. Many refugee families are lacking young men, who they say stayed behind to fight.

No Western government supports the rebels' aim of independence. For the heavily armed Serbian police officers and Yugoslav soldiers fighting for the government, that is a green light to regain control of the territory — by any

#### ■ Separatists Lose Key Village

The separatist guerrillas in Kosovo, staggering from a sustained government offensive, have lost a key regional headquarters, Reuters reported from Decani, Yugoslavia.

The Kosovo Information Center, associated with Kosovo's leading sepa-ratist ethnic Albanian party, said Serbian forces swept into Likovac on Thursday night after hammering the village with artillery for two days.

Serbian troops then turned Likovac and nearby villages "into a bonfire," the information center said. It said troops set fire to houses, following a pattern of torching buildings in former guerrilla-held areas.



A Kosovar refugee preparing food Sunday in the village of Cirez, southwest of the provincial capital, Pristina.

# "We have the clothes we're wearing, three plates and two forks," he said. "One of those international aid groups — I think it was the Germans—gave us For Anglicans, a Multicultural Future

#### New Power of Asia and Africa Puts Conservative Stamp on Talks

By Gustav Niebuhr New York Times Service

CANTERBURY, England - Before the world's Anglican bishops wrapped up their once-a-decade gathering Sat-urday, they offered a glimpse of what Christianity may well look like in the next century from a global perspective.

It was a vision that was multicultural and, at times, decidedly conservative, enough to make some of the prelates of the Episcopal Church in the United States and the Church of England appear as marginal players in a landscape their institutions once dominated.

The Lambeth Conference, which was last held in 1988, was rich in racial and ethnic diversity, with participants from churches in 160 different nations. It began July 18 with a worship service in Canterbury Cathedral, the seat of the archbishop who is considered the "unifying figure" of the 73 million-member Anglican Communion.

The bishops discussed such issues as international poverty and pollution, but they seemed to speak loudest on questions of sexual ethics and the authority of Scripture. Their tone, said R. William Franklin, dean of Berkeley Divinity School at Yale University, made this "the most conservative conference of the 20th century" among the Lambeth

If anyone needed evidence of that conservatism, it came Wednesday when the approximately 750 bishops settled in

to tackle an advisory resolution on human sexuality. Its original text, written in committee, affirmed a traditional position on marriage as the lifelong union of a man and a woman. It also con-

demned homophobia. But when the document was brought before the whole conference, socially conservative bishops toughened its language with amendments, one calling for abstinence from any sex outside marriage, another pointedly rejecting ho-mosexual activity as "incompatible with Scripture." Those who took the lead in this process were mainly from

the churches of Africa and Asia. Their emphatic approach seemed to take liberal bishops by surprise, leaving them out-organized and out-talked. In the Episcopal Church, by contrast, conservatives had failed to block some bishops from ordaining gay men and lesbians as priests.

After two hours of debate, the amended resolution was passed. The story here had partly to do with numbers. At the 1988 gathering, Anglican leaders proclaimed the next 10 years

as a "decade of evangelism." The results were spread unevenly, to say the least. The churches in Africa and Asia grew, while those in England and North America did not. In fact, U.S. membership fell. This time, 228 African bisbops who were heads of dioceses came to the conference, up from 130 in 1988.

Such growth in Africa and South Asia is a major trend within Christianity. morals," he added.

"This is still news for most of the Christian population in the United States of America," said Dean Gilliland, a professor of contextual theology and African studies at Fuller Theological Seminary in Pasadena, California. "They don't know the center of gravity has moved from the West.'

In Africa, where the faith has been growing fastest, there are an estimated 27 million Anglicans, more than 10 times the number of Episcopalians in the United States. To take another example, African Lutherans increased to 9 million from 5.7 million in 1991, surpassing the total membership of Lutheran denominations in North America.

But numbers do not tell the whole story. Many of the African and Asian churches exist in societies where Christianity is a minority faith, often confronted by antagonistic religious competitors, such as militant Islamic groups. or overtly hostile secular governments.

'It's not unlike the experience that formed John Paul II," Mr. Franklin said, referring to the Pope's formative years as priest and later a bishop under a communist regime in Poland that regarded the Roman Catholic Church as a threat.

Leaders forged in such environments, Mr. Franklin said, often espouse a "Christianity of clarity" that has little room for ambiguity and is suspicious of accommodating the surrounding cul-ture. They may take "a harder line, a more authoritative line in Scripture and

#### Protestant Group Joins Belfast Peace

BELFAST — Northern Ireland of-ficially faces no further threat from Protestant paramilitary organizations news agency, the note warned that as of this weekend following a truce there was a bomb on board and would declared by the Loyalist Volunteer be detonated if 621,000 rubles

The extremist Protestant group an-nounced Saturday the "absolute, utter finish" to its campaign, a declaration greeted with caution by the British government.

The group was one of four paramilitary organizations threatening the peace agreement drawn last April and was the only Protestant force not to have signed on to the peace deal.

The group hopes the truce will lead to release of its prisoners, of whom there are 22 in Belfast's Maze prison. as agreed in the peace accord for groups renouncing violence. (AFP)

#### Air Hijacking Ends, **But Without Culprit**

MOSCOW — An airplane hijack-ing ended peacefully at a Moscow airport on Sunday after a four-hour standoff between security forces and the anonymous author of a note who demanded \$100,000 and threatened to blow up the plane.

No ransom was paid. No bomb was found. Neither was the perpetrator. The incident began while the East Moscow from the Siberian city of Tyumen, about 2,400 kilometers ,500 miles) to the east.

Crew members came across a threatening note in the business section and passed it to the pilots, officials said. According to the Itar-Tass news agency, the note warned that (\$100,000) were not turned over. We need the money in Moscow. the note said. After the plane landed, none of the 97 passengers owned up to writing the ransom note.

#### 18 Killed in Pileup

NIGDE, Turkey - A minibus crashed into a truck near the southern Turkish city of Nigde on Sunday, setting off a freeway pileup that killed at least 18 people and injured 23, the provincial governor said.

Nine vehicles were involved in the early-morning crash, which occurred during heavy traffic on the freeway between Nigde and Adana, Governor Adil Yazar of Nigde said to the private NTV television.

#### Havel Is a Bit Better

PRAGUE - President Vaclav Havel's condition improved Sunday, but doctors said the hospitalized Czech leader might remain in intensive care for another week.

Mr. Havel's physician, Ilja Kotik, said he was still breathing with the Line TU-154 aircraft was en route to occasional aid of a respirator. (AP)

#### Balloonist Over the Atlantic Fossett, in 4th Attempt, Is Striving to Circle the Globe

ington University in Saint Louis, Mis-WASHINGTON - An American

millionaire, Steve Fossett, soared over the South Atlantic on Sunday in his fourth attempt to be the first person to circle the globe nonstop in a hot-air The balloonist was reported at a location 2,943 kilometers (1,828 miles) east-southeast of Mar Del

day of his flight, according to an Internet site run by Mr. Fossett's mission control center. At 1300 GMT, Mr. Fossett, a commodity broker who has set a speed problem that plagned his earlier record in cross-country skiing, was flights. Earlier this year, Mr. Fossett record in cross-country skiing, was floating 7,090 meters (23,260 feet) above sea level, and traveling at a Krasnodar Russia.

Plata, Argentina, as he began the third

speed of 69 kilometers (43 miles) an The balloon was at 43 degrees 35 minutes south latitude and 40 degrees 20 minutes west longitude, according to Mr. Fossen's mission commol and communications operation at Wash-starting points.

Mr. Fossett took off Friday from a stadinm in Argentina.

Unlike his earlier attempts, when he rode the winter jet stream of the Northern Hemisphere, Mr. Fossett de-cided this time to fly with currents in the Southern Hemisphere, which will put him largely over water the entire flight.

He will be flying over about five countries in this attempt, reducing the possibility that nations might deny him the right to use their air space, a managed to fly from St. Louis to

Balloonists have been trying for more than a century to circle the world nonstop. None ever came close.

Two balloons disappeared. One burst and others settled to the earth's surface at various distances from their

### A Punishment in Ski-Lift Case

CAMP LEJEUNE, North Car-

of a Marine Corps air squadron has been relieved of his post because of errors uncovered after through gondola cables at an Italian ski resort, killing 20.

Lientenant General Peter Pace, commanding general of Marine Forces Atlantic, ordered Lieutenant Colonel Richard statement Saturday.

General Pace's decision came after three days of bearings at Camp Lejenne into allegations of dereliction of duty against Colonel Muegge and three other officers in Marine Electronic War-

fare Sonadron-2. Major Max Caramanian, the

squadron's director of standard- June hearing that the squadron ization and safety, was punished was briefed two months before olina - The commanding officer with a letter of reprimand. Allegations against the squadron's second-in-command, the executive officer Lieutenant Colonel one of the unit's jets sliced John Koran 3d, and the unit's operations officer, were dis-

"The command investigation team found supervisory error in acquiring and disseminating pertinent flight information within Muegge relieved of his command the squadron," the Marine Corps of an electronic warfare squadron said. "Although the investigabased at the Maxine Corps Air tion team determined that the su-Station Cherry Point and reas- pervisory error did not cause the signed to an unspecified position mishap, they recommended apat the base, the Marines said in a propriate administrative ac-

> Colonel Muegge and Major Caramanian will not lose pay. benefits or rank as a result of the reprimands, said Lieutenant Colonel Katie Haddock, a spokeswoman for Marine Forces At-crew was flying too fast and too lantic, based in Norfolk, Virginia. low, while defense lawyers Colonel Muegge testified at a denied it.

the tragedy Feb. 3 on a 1,000-foot (305-meter) altitude minimum for pilots flying in the region around the air base in Aviano,

Fliers apparently did not know about a 2,000-foot-minimum restriction the Italian government had imposed in October, testimony showed. The EA-6B Prowler sliced the

gondola cable 370 feet above the A preliminary Marine investigation ruled that crew error led to the accident near Cavalese, Italy. The jet's pilot and navigator face courts-martial this year, while evidentiary hearings

found that the two other crew

members should not face courtsmartial. Prosecutors contended that the

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#### INTERNATIONAL

### U.S. Pledges To Retaliate **If Any Nation** Is Responsible

By Brian Knowlton

WASHINGTON - Top U.S. officials would not speculate Sunday on who might have been behind the deadly embassy bombings in Africa, but in cases when proof of state-sponsored ter-sorism is found, said Defense Secretary William Cohen, "we respond and refaliate as swiftly as possible."

Mr. Cohen declined to offer any details about likely suspects or lines of investigation in what the president's rational security adviser, Samuel Berger, called twin acts of "unadulterated evil."

Mr. Cohen, Mr. Berger and Secretary of State Madeleine Albright, in separate television appearances, said the pursuit of those responsible would be relentless and unawerving. Mr. Cohen said: "The message is, there is no statute of limitations for terrorists. We will hunt and

Mrs. Albright said that the United States would "take the appropriate action" if evidence pointed to an act of state-sponsored terrorism.

daid, suggested "that it was well-codiscolated individual, a madman, that it shrappel that followed, life has been forever altered. More than 500 people were hospitalized for injuries. Scores tong in the planning."

Neither he nor the other security of-

ficials would speculate beyond that.
All U.S. embassies and consulates have gen placed on a heightened state of alert, and American tourists have been niged to exercise cantion and check in with emphassies or consulates as they travel to receive updates on local conditions.

Mrs. Albright had returned from Rome on Saturday for an urgent White House meeting on the bombings that included Mr. Cohen; Mr. Berger; the director of central intelligence, George Tenet; Attorney General Janet Reno, and

the FBI director, Louis Freeh. On Sunday, she cautioned that the investigation could be lengthy. "While there might be an instant grat-

ification to do something about an attack slammed against the embassy's wall. on us, we have to be absolutely sure we have the facts straight," she said on NBC-TV. "And the memory of the United States is very long, and our reach

White House meeting. Mr. Berger was to

brief him Sunday on the bombings.

Mrs. Albright, Mr. Cohen and Mr. ground and did damage to buildings two Berger all brushed aside suggestions that kilemeters (more than a mile) away. the authors of the bombings might have sought to take advantage of Mr. Clinton's idence — whether from residues of the concerns with the Monica Lewinsky

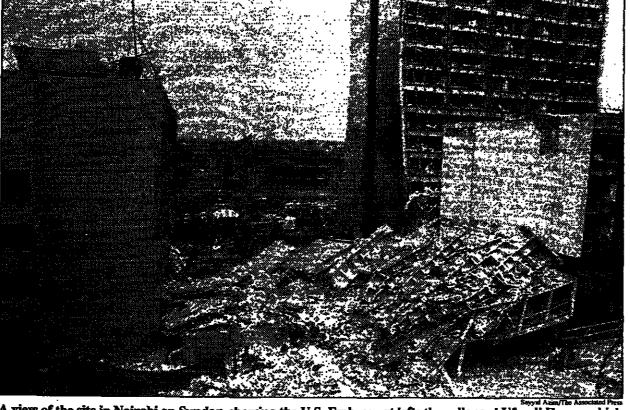
He has been preparing to testify Aug. 17 in a closed-circuit television hookup to be seen by grand jurors.

Asked about the effect of those preparations on Mr. Clinton's concentration, tarpaulin covered the bomb cra Mrs. Albright said, "It is not a dis-two meters (seven feet) across. traction in terms of foreign policy, I can

assure you of that." She dismissed as "ridiculous" the suggestion that Mr. Clinton might be restrained in his reaction to the bombings for fear he would be seen to be

Mr. Clinton still plans to leave Mon-day for a trip to the Midwest and West, but P.J. Crowley, a White House spokesman, said that might change.

He said it was "premature" to discuss any possible link to the June 1996 bombing of a U.S. military facility in Saudi



A view of the site in Nairobi on Sunday, showing the U.S. Embassy at left; the collapsed Ufundi House, which housed a secretarial school and several businesses, at right; and behind it, the Cooperative Bank of Kenya.

### VICTIMS: For Grieving Kenyans, Life Has Been Forever Altered

Continued from Page 1

The force of the explosions and the families of the dead, like rings in a pond, to hundreds of dependence in a round it is a pond, to hundreds of dependence in the rings in a pond, to hundreds of dependence in the rings in a pond, to hundreds of dependents living in rural areas, Kenyans said. were hospitalized for injuries. Scores have been blinded or permanently

scarred, hospital officials said.

tives alive. Every few minutes, there They had two small children, the second were muffled cries, followed by the only a month old. sound of weeping, as people discovered

On the front gate was a list of 34 names of people already identified by the police, scrawled in felt pen on a paper

At the City Council Mortnary, lines of relatives snaked slowly through the hor-

### TANZANIA: Was Bombing Videotaped?

Continued from Page 1

when the bomb was detonated. An American official said that "a possible scenario" and, so far, the most likely one, was that a bomb was carried

by the water truck. The blue water tank of the truck lay crumpled upside down amid rubble in compound, its undercarriage

The cab where a driver and his assistant sat was reduced to a few spokes of blackened metal. The official added that the driver, his assistant and five Tanzanian security President Bill Clinton did not attend the guards at the gate all died in the blast.

explosives or from the tantalizing video camera — seemed better here than in Nairobi, where the lengthy and confused rescue of victims is said to have damaged investigative leads.

tarpanlin covered the bomb crater, over two meters (seven feet) across.

why Tanzania was chosen as a site to to help dig out victims from the rubble of the Ufundi house in the critical early

The compound, set amid flowering oleander and frangipani trees, was cor- in East Africa. doned off and gnarded by U.S. Marines who flew in Saurday to reinforce the

embassy's guard detachment.
The building, which was constructed 1970s, was probably beyond repair, the

American official said. While the material evidence might be easier to unearth here than in Nairobi, Mr. Berger said that investigators many questions arose about how a water were pursuing some clues. "There is information to work with," he said on motor pool could have been fitted with a bomb - if indeed that theory proves to

> be true. A personnel assistant at the embassy, Evita Kwimbela, said that the driver of the water truck had been employed by bela said.

the embassy for nine years. Miss Kwimbela, who was recovering from a head wound in a hospital, said she knew the driver by his surname, Ndange. She said that he was in his early 40s.

He was one of nine or 10 drivers employed by the embassy, she said. She said that he had been rostered routinely to fill up with water Friday from a well owned by the embassy about six kilometers from the building and to

Miss Kwimbela said that the water tanker was always parked inside the embassy grounds when it was not in

The American official who said that The explosion was so powerful that it the water tanker was a likely vehicle for the bomb also said that the bomb could have been carried by a car.

Several charred automobiles lay almost directly outside the embassy

Twenty-two cars were wrecked by the blast, Tanzanian authorities said. While American officials here

puzzled over the physical details of how the bomb got so close to the embassy. Outside the embassy gate, a green there was perhaps less puzzlement over

Tanzania is the most Muslim country

Along the coast about 60 percent of the people are thought to be Muslim.

In February, the Tanzanian police killed two demonstrators and arrested creating a diversion from the Lewinsky of reinforced concrete by the Israeli gov-more than 120 others outside a mosque ernment for use as its embassy in the late in the heavily Islamic Mwembe Chai section of the city.

There was widespread speculation in Dar es Salaarn on Sunday that Tanzania, because of its lax border controls, its open seafront on the Indian Ocean and its widespread poverty, would not have been a difficult target for a well-organized group to penetrate with bribes

and promises "Many of the people don't have money and need money," Miss Kwim-

rifying rooms of disfigured and mu-tilated bodies. Most had been searching polite, religious man who seemed to city hospitals since the blast in a des-perate attempt to find their missing rela-wife was a nurse at Nairobi Hospital.

Last month, Mr. Onyango purchased a new car, a sign he was coming up in the world. A cautious man, he went to the Ufundi Cooperative Building on Friday morning to buy more automobile insurance, his friends said.

"He was the person who was well off in the family," his cousin, Apollo Abiero, said. "He was the bread-winner. He supported four brothers and a sis-

Further up on the list was Caroline Ndolo, a lively 29-year-old single mother who had worked as a clerk at the Ufundi Cooperative Savings and Credit Society in the destroyed building. Miss Ndolo's brother, Frederick, also worked at the bank. A father of two young boys, he is missing and presumed dead.

Friends described Miss Ndolo as a talkative and independent young woman who liked to go dancing in Nairobi nightclubs and enjoyed her single lifestyle. She had been pleased to discover she was pregnant last year. Her baby boy is 3 months old.

"She was happy about the baby," her father, Michael Opondo Ndolo, a retired civil servant, said, as he waited for his

daughter's body to be loaded into a hearse. "She had a plan of opening a small shop, a bounque."

Echoing the sentiment of many grieving family members here, Mr. Ndolo said the U.S. Embassy should be moved

far from the center of town. Many relatives of victims expressed a oniet outrage that Kenyans were paying with their lives for American political

problems. Some complained that U.S. Marines and officials had done too little hours of the disaster. "If it's a war between the Americans

and other people, they should take the war elsewhere," said Dr. Charles Onudi, who was waiting for a relative's corpse just outside the mortuary. "Lots of in-nocent lives are being lost."

Naftali Muyonga, a senior official in the Foreign Ministry, had come to the morgue to take care of arrangements for his brother-in-law, Moises Ashton Mwani, who had been a high-ranking civil servant in the Teachers Service

Mr. Mwani, who is 50, had been killed by shrapnel from the blast as he sat in a meeting on the fourth floor of a building down the street from the embassy, Mr. Muyonga said.

What we fail to understand is why the terrorists should pick on a peaceful country like Kenya," Mr. Muyonga

At about noon, Mr. Omukhani and his friends carried his wife. Miss Akino, out of the morgue on a stretcher and into a van. Half her face and head had been destroyed by shrapnel. The hearse took her to a funeral home in Nairobi's center. where she will be kept until the family can collect enough money to transport her to western Kenya for burial.

Miss Akino's death was a heavy blow for her family. She has two children, an 8-year-old boy, Marvin, and a 3-year-old girl. While Mr. Omukhani is an employee at the Kenya Commercial Bank, he is part of a strike by thousands of bank workers that began last week. Management unilaterally fired the strikers last week, and its unclear if they will return to work.

"I have to be worried," Mr. Omukhani said. "I don't know my fate as of now. I'm just wishing that all will go well and I'll go back to work."

Miss Akino's older sister, Tereza Okidi, who is 45, said she was worried the family would not have enough money to support the children. A former secretary, Miss Okidi said that she had recently started a small restaurant in a marketplace but that she had two grown children of her own, both unemployed.

and her earnings would not stretch far.
"I don't know how to start life with these small children," she said. "I can't neglect my sister's children. I can't run from the responsibility. It has found me, and it is mine.'

Elizabeth Akino "was my best friend," said Danae Tirop, a 28-year-old woman who also played for the bank's volleyball team. "She was the maid of honor at my wedding. She was warm, generous, kind, understanding. She al-ways thought of her children first."

Miss Tirop's eyes welled up.
"On that Friday, I actually wanted to go to see her," she said, "But I decided to wait until after lunch."

### At Nairobi Embassy, **Deaths Were Random**

Many Caught Unaware Amid Weekend Plans

By Raymond Bonner New York Times Service

NAIROBI - By design, terrorist attacks are ruthlessly indiscriminate, and in the blast that tore through the U.S. Embassy here Friday, fate took the lives of many and spared others.

An U.S. Air Force employee, who lost a chance to spend Thursday night in Amsterdam, lost her life when she went to work Friday. A 21-year-old Marine guard who probably would have lived if he had been on duty in the front of the building, was killed when he went to the cashier's office in the back of the build-

ing to get money for the weekend.

Many of the Kenyan victims, the exact number still not known, had gone to the embassy early that morning with the

hope of getting a visa or a job.

Timing blessed the embassy's most senior diplomats, who were attending their weekly meeting in the ambassador's spacious office on the embassy's fifth, and top, floor, where the impact of

the blast was the weakest.

"That saved my life," said William Barr, the embassy's chief spokesman, who had been thinking that he might slip away a bit early that Friday for a round of golf at the Muthaiga Club, a fabled co-

lonial hangout. For unknown reasons, Julian Bartley, the embassy's general consul, was not at the meeting, as he would normally be. On Sunday, he was the last of the dead American diplomats to be identified. His son, Jay, a university student who had a summer job at the embassy, was also

killed in the blast. At the Friday meeting, one of the main items of discussion - at this time of the year, when new embassy employees arrive in time to enroll their children in

school -- was security. The senior diplomats tossed around ideas on how to impart to their new colleagues the need for prudence, in this mile-high capital on the equator that has been gripped by street crime, while avoiding a siege mentality that would keep them locked behind high walls. "It was rather ironic," said Donald R.

Mackenzie, regional director for the United States Agency for International Development.

'We wanted to tell them, 'Kenya is really a marvelous place, you can enjoy yourselves," said Mr. Mackenzie, who first began to appreciate the country as a Peace Corps volunteer 28 years ago. This has traditionally been a place with a low terrorist threat."
But at 10:35 A.M., as the meeting was

nearing an end, there was a loud thud. "Someone next to me said, 'That's an explosion,' recalled Paul Peterson. who arrived here three weeks ago as the State Department's regional security of-

"I knew instantly it was a bomb," he

Ten seconds later came the second where Mrs. Kirk, 51, was killed.

and far more powerful blast, the one that tore through the embassy, leveled the building next door and blew out every window to the top of the 22-story Co-operative Bank of Kenya building.

"I was the first one out of the room, Mr. Peterson said, "I saw bloody people

The blast knocked Mr. Mackenzie, who was sitting near a window, out of his chair, and he suffered minor cuts on the back. He picked himself up, and quickly followed the others out of the room.

They started down the stairwell, now without any light. With the walls crumbling, debris turned the stairs into something more akin to a slide, Mr. Mackenzie said.

"The dust was just horrible," he ad-ded. "A lot of us were fearing that we

could not go on breathing." Surprisingly, there was no panic, not even screaming inside the embassy, several diplomats recalled.

But there was random death. Among the unfortunate were those embassy employees who, with the week-

Timing blessed the embassy's most senior diplomats, who were at a meeting on the top floor, where the explosion's impact was the weakest.

end approaching, had gone to the cashier's office and the Citibank branch to get money. These were located in the back of the embassy, on the first floor, which means they took the brunt of the

That is where Jesse Aliganga, a 21-year-old Marine sergeant from Florida,

was killed, Mr. Peterson said. Because of a strike at Kenya's commercial banks, the secretary of Mr. Barr, the embassy spokesman, asked for time

to make some transactions at Citibank. 'She went down and she didn't come back," Mr. Barr said. He asked that her name not be published because the Kenyan government had not released the

names of the Kenyan victims. Fate also dealt cruelly with Arlene Kirk, a U.S. Air Force employee at the embassy, and her husband Robert, who worked for the Agency for International Development. They were returning to Nairobi from vacation. Their flight from Amsterdam was overbooked, and the airline asked for volunteers to give up their seats in exchange for some money

and a free night in Amsterdam. The Kirks decided to take it, Mr. Barr said. But by the time they reached the counter, enough other passengers had volunteered. So the Kirks got on the flight and on Friday returned to work,

#### ATTACKS: U.S. Investigates Bombings

Continued from Page 1

officer, Charles Slater, who said his wife had been injured in the explosion at the embassy in Tanzania.

In Nairobi, Israeli Army officers and Kenyan personnel continued to dig slowly through the rubble of a building that stood behind the embassy in a dangerous and excruciating search for sur-

They used pickaxes, shovels, crowbars, sledgehammers and bare hands. Sunday afternoon, they said at least one woman, who gave her name as Rose, was still alive in the wreckage of Ufundi House, a seven-story office building that housed a secretarial school, a credit union and several other businesses. The rescuers strained to hear her as

they clambered over a high pile of debris briefly stopping to touch a rosebud on a covering dozens of corpses. 'She is alive.'' said an Israeli officer.

Alon Seren. "She is stuck in a difficult place, and it is very dangerous for us to rescue her. But as darkness fell, the voice of Rose guard. was no longer heard.

The rescuers were bringing out the dead, on average one every 20 minutes. "We have pulled out bodies with our bare hands," said Meital Hallawi, another member of the Israeli team. "We

are just like robots. We can't have any

feelings if we want to continue.' Miriam Olumola, 38, a cashier at Ufundi House who had left the building to run an errand when the bomb went off, helped Kenyan Red Cross workers identify the corpses.

"They have just found a friend of ine," she said. "There are 28 more people in there, they say. I knew some of them. I passed them by at work." The rescuers brought a woman and

band, one of the building's caretakers. The explosion, which destroyed "the brain center of the embassy." words of Mr. Peterson, came from a

vehicle that had breached a thin layer of

security at the rear of the building. Embassy officials said the vehicle apparently drove past a manually operated Cooperative Bank of Kenya to the edge of a ramp leading to the embassy's uninches) to save Wuhan. derground garage.

There, a few feet from the first-story force that hurled glass and debris over a homes as flood officials made last-10-block radius throughout downtown minute decisions based on the rising tide Nairobi, damaging many buildings and of water rushing down the Yangtze shattering thousands of lives.

who were inside.

Among the embassy's staff, 12 Amer-. icans were dead. The death toll represented roughly one of every five Americans in the building at the time of the explosion, the officials said. At least 24 Kenyan employees were

dead and uncounted dozens were missing, U.S. officials said. A unknown number of Kenyans were lined up at the embassy looking for work and seeking visas. All are assumed to

have died. Prudence Bushnell, the U.S. ambassador, who was giving a speech in the adjacent bank building and was slightly injured, toured the ruins of the mission Sunday, walking stiffly, with a slight limp, a split lip and an expression of

She emerged, looking devastated, memorial bouquet standing by the embassy's entrance before driving away.

Around her, grim-faced security personnel and edgy Marines deployed here from duty posts in Saudi Arabia stood

### War on Floodwaters

Continued from Page 1

Three Gorges Development Corpora-tion, said that if the dam had been completed, "the problems of flood control would have already been solved."

Dai Qing, a Chinese journalist who has opposed the Three Gorges project since its inception, countered that the dam would have little effect on the floods because they are occurring in the lowerher son down unharmed from the 21st middle and lower reaches of the river, floor of the adjacent Cooperative Bank of Kenya building, where they lived in an apartment with the woman's husthe upper reaches of the river.

The state-run media reported Sunday in the that dikes were blown in Jianli county, 240 kilometers (150 miles) upstream from Wuhan, after 50,000 residents were evacuated from their homes. The officials said they hoped blowing the dikes would divert 800 million cubic barrier staffed by an employee of the meters of water and thereby lower the Yangtze by 10 to 25 centimeters (4 to 10

Saving Wuhan is coming at a huge cost to outlying regions. People were windows, the vehicle exploded with a being given just hours to evacuate their River. More than 300,000 people were As of Sunday evening, the toll of the known dead included 155 people who town of Shashi, upstream from Wuhan, had been outside the embassy and 35 as flood officials prepared to divert water into that region to protect Wuhan.

#### BRIEFLY

#### **UN Suspends New Inspections** In Iraq but Continues Monitoring

BAGHDAD - The United Nations has suspended new arms inspections in Iraq after the government's declaration that it would refuse to cooperate with UN inspectors, a UN

official said Sunday. Janet Sullivan, a spokeswoman for the inspection program, said that monitoring of already inspected sites — which iraq said could continue — was still going on. But she said that new inspections, which often involve surprise visits, were being put off "in light of the present

Iraq declared its freeze on cooperation to demand the end of eight-year-old UN trade sanctions. The Security Council termed that move "totally unacceptable," but it has urged more negotiations and suggested that it was open to easing

### Rwandan in Texas Is Ordered

To Face Trial for War Crimes UNITED NATIONS, New York - A U.S. District Court judge in Texas has ordered a Rwandan who has been indicted for genocide in Africa but who is living in the United States to surrender to an international war crimes

tribunal for Rwanda. The tribunal is based in Tanzania. The Rwandan, Elizaphan Ntakirutimana, a former Seventh-day Adventist pastor who was accused of encouraging the massacre of ethnic Tutsi in Rwanda in 1994, has been living in Texas with a son. He has 30 days to appeal the order. The ruling had been sought by the State Department, which was embarrassed by the Rwandan's release in 1966

### by a Texas magistrate.

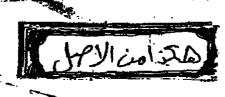
For the Record Andres Pastrana, planning to begin peace talks with increasingly aggressive rebels, has taken office in Bogota as president of Colombia, ending the scandal-ridden president of Colombia



BLISS - The CNN correspondent Christiane Amanpour and James Rubin of the U.S. State Department,

after marrying in Bracciano, Italy, on Saturday. idency of Ernesto Samper. Washington charged that drug dealers had bankrolled the Samper election. Mr. Pastrana

became the 60th president of Colombia. Peru's president met in Lima with his top generals to find a way to defuse mounting border tensions, after Peru charged that Ecuadoran troops had infiltrated its territory. President Alberto Fujimori considered an internationally



#### **EDITORIALS/OPINION**

### **Deadly Terrorism**

The deadly terrorism that struck two U.S. embassies in Africa on Friday stunned Americans. It came as an unwelcome reminder that, in a terrorist's eyes, the world's most powerful country remains the world's No. 1 target.

American embassies everywhere will need to be provided with the highest possible standards of physical

The car bomb attacks in Nairobi and Dar es Salaam, some 600 kilometers apart, killed at least 198 people and injured more than 4,000, according to toll reports on Sunday. At least 11 of those killed in Nairobi were Americans. The largest number of victims were Kenyans who had been working in an office building next to the American Embassy.

These were the worst attacks on American government installations since a truck bomb tore apart the Khobar Towers military apartments in Saudi Arabia more than two years ago. But 100 or so less spectacular acts of international terrorism were directed against Americans last year, killing seven and injuring 21.

Nothing certain is yet known about who planted the bombs that exploded

But the fact that the two embassies were attacked almost simultaneously, with powerful explosives, in countries that are not known for popular hostility to the United States suggests a co-ordinated assault, possibly with the direction and assistance of a foreign

Washington has sent criminal investigators and counterterrorism specialists from the State and Defense departments and the Federal Bureau of Investigation to learn more about how the blasts occurred and to aid in the search for evidence and suspects.

It will need to be determined why the two embassy buildings, both built before the wave of terrorism against American embassies in the early 1980s, had not yet been upgraded to modern security standards.

American embassies should have their building facades reinforced, their glass coated with plastic film to prevent shattering, and their security perimeters extended.

The United States and other countries have made modest progress in curbing international terrorism, in part by putting pressure on nations like Libya, Syria and Iran that have sup-ported terrorist activity in the past. But, as Friday's attacks make uncomfortably clear, terrorism, both free-lance and government-supported, is far from defeated, and American embassies remain vulnerable.

Diplomatic outposts of a democracy cannot be made into indestructible fortresses. But Washington is obliged to make them as secure as possible for those who work and do business there and for their neighbors as well.

—THE NEW YORK TIMES.

#### **Terms for the Swiss**

to reclaim the long-lost funds they put - they thought safely - in Swiss banks comes down to this. New York City and other American states and localities threaten to prevent the two principal Swiss commercial banks involved, Credit Suisse Group and Union Bank of Switzerland, from doing business in their jurisdictions if they do not satisfy the plaintiffs in class action

lawsuits against the two. To carry the battle, the banks have not only surrendered their fabled secrecy and opened their records to outside audit but also have gone on the public relations warpath to offset the political leverage the plaintiffs have brought to bear. The deadline set by the plaintiffs, who include thousands of individuals and some of the major Jew-

ish organizations, is Sept. 1. The banks say in effect that they have done plenty and that further attempts to pressure them will only heighten the backlash in Switzerland, where patience with the process is

already wearing thin. What have they done? Apologized for past wrongdoing and supported a historical inquiry into those deeds. Sponsored a massive search led by Paul Volcker to find the financial facts, and accepted to pay any claims he unearths. Set up a humanitarian fund to help aging survivors now. Offered

The sums add up, on bank calculators, to \$1 billion. To ask more, they say, will only confirm rising Swiss doubts

of the plaintiffs' good faith, and sab-

otage agreement. In a moral sense, there can never be a fair financial accounting for the anguish and shame to which the Swiss banks contributed. As banks, however, it is in their culture to come up with numbers across a table.

This is where the issue had best be resolved. New York City has no trouble justifying political intervention in lawsuits affecting many Americans. It would have a problem, however, if its intervention broke the capacity of the banks to come to terms.

This is the anxiety of the figure who by long, deep and disinterested immersion has established himself as the most credible voice in this affair, Stuart Eizenstat.

The chief State Department economic officer, he believes that the New York threat "has already reinforced an unfortunate climate of inflexibility in Switzerland." Imposing sanctions now, he argues, "would delay still further the resolution of these issues by making it more difficult for all Swiss institutions -- private and public -- to take the necessary steps to achieve closure.

-THE WASHINGTON POST.

### Atlantic Salmon

The United Nations has declared 1998 the International Year of the Ocean. This has provided a pretext for lofty talk about rescuing the oceans from pollution and overfishing, but not, as yet, much useful action. Recent decisions by Canada and Greenland to close down commercial fishing for Atlantic salmon originating in North American rivers are thus cause for celebration.

Wild Atlantic salmon, as opposed to the farm-raised variety that most people find on their menus, have been declining at an alarming rate. Industrial wastes, polluted runoff from farms, and the construction of dams killed most of the salmon spawning in the United States by the late 19th century, leaving only a handful of precarious wild runs, all in Maine.

Canadian salmon have also dwindled. Scientists estimate that the number of large fish returning to Canadian rivers, mostly spawning females, reached an all-time low of 114,000 this year, one-sixth the number 20 years ago and barely half the number required to sustain the species over the long term.

The decline continued despite Canada's decision to shut down a large commercial fishing ground in Newfoundland in 1993, as well as temporary measures to reduce the salmon catch near Greenland, where the fish

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congregate in large numbers before returning to their native rivers. In desperation. Canada closed its last remaining commercial fishery, in Labrador, on June 9. Three days later, influenced by

Canada's example and by entreaties from Canada's Atlantic Salmon Federation and Britain's Atlantic Salmon Trust, Greenland agreed to close its commercial fishery.

This was a courageous step because there are not many other jobs for unemployed fishermen in Greenland, On the other hand, the move could ultimately save Canada's recreational fishing industry, valued at \$100 million a year.

The decision will be reviewed in one ear, and will presumably be renewed if mortality rates do not improve. In the meantime, Greenland will be allowed a subsistence catch for local consumption, while thousands of wild Atlantic salmon receive a badly needed reprieve from the gill nets.

The reprieve will also allow conservation groups, and Washington and Ottawa, to turn their energies to other threats facing Atlantic salmon. These include polluted watersheds and dams that have outlived their usefulness as sources of power and serve only to diminish the future of a once flourishing species.

-THE NEW YORK TIMES

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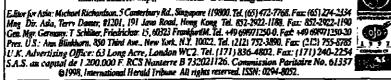
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# Help America Prove That Terrorism Doesn't Work

WASHINGTON — The bombs that terrorists exploded in Nairobi and Dar es Salaam on Friday made a bloody statement of hatred of America and Americans. Other nations and peoples must not overlook their stake and responsibilities in this global war of terror. This is their battle, too.

The absence of a signature — of a convincing admission of responsibility for treating human lives with such disdain — is revealing in its own way. It adds to the strong likelihood that the attacks had nothing to do with African issues or events. As far as we know at this point, Africa was backdrop, innocent bystander, unlucky setting for

craven revenge-seeking.

Terror usually is an effective weapon only when its intent is communicated, understood and feared. In the silence on specific causes for these killings or on changes to be made if new attacks are to be avoided, the impression forms that the target of these attacks was nothing less than Amer-

By Jim Hoagland

Salaam were soft targets, easily available for the hitting by those with some imaginary or real grudge against America's presence abroad. The bombers were showing Americans that being indispensable to world order is expensive in lives as well as treasure.

My guess is that the organizers of these attacks have an address that a claim of responsibility and explanation would expose. They would be vulnerable to direct American retaliation.

Iraq's Saddam Hussein, the hardline ayatollahs who fear losing control in the power struggle now under way in Iran, the Saudi dissident Osama bin Laden and the Islamic Jihad have been mentioned as possible suspects. Each would have the experience and motivation to shed American blood in this way without needing to link this heinous act to specific demands.

The perpetrators can avoid American retaliation if they do not make an airtight case against themselves by America's global reach.

leaving fingerprints or voiceprints. That seems to be the lesson drawn from the caution the United States has shown in responding to terrorist attacks abroad since 1988, and especially to the still unsolved bombing of the Khobar Towers apartment complex in Dhahran, Sandi Arabia, in 1996 that

killed 19 U.S. airmen.
U.S. officials have complained publicly of lack of Saudi cooperation in the investigation of Saudi dissidents with links to Iran who were the chief suspects in the Khobar Towers case. Only a solid legal case that would meet U.S. courtroom standards would lead to re-

taliation, U.S. officials have suggested. The unwritten but obvious message of the terrorists in Nairobi and Dar es Salaam was the same as in Dhahran: U.S. bases and embassies are liabilities, targets for violence that will now harm the interests of host nations as well as the interlopers. American vulnerability will become your vulnerability. Even remote, peaceful corners of Africa will be drawn into the struggle against

Some nations - Russia and France, for example — have been critical of American leadership in containing the excesses of Saddam, the ayatoliabs and other suspects in international terrorism. Many other governments have sought to stay uninvolved. But Nairobi and Dar es Salaam bring home the message that they do not have that option in the era of global communities. nications and transport.

Georges Habash, a Palestinian leader who participated in planning major international terror operations, told me in 1987 that his group had abandoned its campaign only because it had not worked. Instead of winning U.S. sympathy or acquiescence, the attacks had turned Americans solidly against the Palestinian cause.

Strong support for America's global role is now needed from the international community, to demonstrate to all terrorists that these tactics will not work. Retaliation for these outrages should be swift, effective and welcomed publicly by the community of nations.

### Not Something Your Local Terrorists Are Likely to Be Capable Of

WASHINGTON — It is unclear who is behind the evil bombing attacks at two U.S. embassies in Africa, but if you want to speculate, here are some things to consider.
The targets, Nairobi and Dar

es Salaam, were most likely chosen because these were soft locations, with open borders and lax police, where perpetrators could easily smuggle in explosives, assemble car bombs and detonate them

without fear of detection. To pull off nearly simultaneous bombings in two different countries is not something your local terrorists are likely to be capable of. This usually requires at least the help of a state intelligence service, with access to safe houses, bombmaking techniques and diplo-

matic pouches. Which countries or groups might have the capabilities and intentions to pull off such a

By Thomas L. Friedman

that there is a civil war going on American Iranian forces will between hard-line fundamentalists associated with Iran's spiritual guide, Sayed Ali Khamenei, and moderates aligned with President Mohammed Khatami. Mr. Khatami is president, but Iran's intelligence services are still under the control of Ayatollah

Khamenei and the hard-liners. The White House has recently made important overtures to Mr. Khatami and the moderates to see if a new relationship is possible. The hard-liners are not pleased with this, and they are trying to undermine Mr. Khatami and his allies every way they can. The Iranian hard-liners may

believe that the best way to kill any budding rapprochement between Iran and the United States is by killing Americans. Indeed, you can be sure that the closer America and Iran inch Iran: Anyone who is following Iranian politics can see more the hard-core, anti-

do things to rupture them. (On Saturday, the Iranian Foreign Ministry condemned

the two embassy bombings.) Iraq. Iraq, too, would have to hit U.S. targets. It is hard to see why Iraq, when it is desperate to get the UN economic sanctions lifted, would undertake such an egregious attack on the United States, which could only set back the lifting of sanctions indefinitely. But when it comes to Saddam Hussein, any perverse logic is possible.

A new Ramzi Yousef: Ramzi Ahmed Yousef and his gang were sophisticated enough to pull off the 1993 truck bomb attack on the World Trade Center in Manhattan, which killed six people and injured more than 1,000. Mr. Yousef, a native of Pakistan, was not a country or a superpower. He was a super-empowered angry man. He had no particular ideology or political goals. He just huge truck bomb exploded on hated America. He felt that it June 25, 1996, killing 19 was hostile to Muslims, and his goal was simply to kill as many Americans as possible.

There are more than a few Ramzi Yousefs still out there. They hate America because it is the most powerful country, because they feel it throws its economic weight around with great arrogance and because its cultural exports uproot their traditional societies.

They use the best of today's modern technology for the most evil of deeds. One reason Ramzi Yousef was caught was because police found his Toshiba laptop computer in his Manila apartment where all his plots were filed on the hard drive. For now, one can draw only

a couple of conclusions. One is that the United States pays a price for letting things like the Khobar Towers bombing go without retaliation.

Khobar Towers was the U.S. military apartment build-ing in Saudi Arabia where a

Americans. The Sandis have never turned over all the evidence because some of it reveals links to Iran.

The Sandis did not want the United States retaliating against Iran and then leaving Sandi Arabia to absorb the counterstrike. The White House basically bowed to Sandi wishes. But when people think they can attack the United States with impunity, they will be tempted to try again.

The other conclusion is that if the United States is compelled to retaliate, the Monica Lewinsky affair can only complicate matters. Every foreign or domestic actor who is looking for excuses to oppose any U.S. retaliation in this case will claim that President Bill Clinton is only acting to distract attention from his embarrassing entanglements, and that will make building diplomatic support more difficult.

### Getting China's Military Out of Business Is a Tall Order

TERUSALEM — The recent By Ellis Joffe \_\_\_\_\_\_ation... It interferes, with swar ... lion) each year for several years

J decision of China's leaders to end the commercial involve- army's far-flung economic emment of its army could well launch one of the most important military reforms in two decades - if the decision is carried out. But this is a big if. After more than a decade of

moneymaking pursuits by units throughout the military establishment, the Chinese army has created an enormous commercial octopus whose tentacles reach into every sector of the economy. Experts estimate that the armed forces run some 20.000 industrial, production and service companies, from huge pharmaceutical conglomerates to karaoke bars.

Initially encouraged by the leadership to offset budget shortfalls, these pursuits mushroomed. They eroded military professionalism and fostered a wide range of illegal activities, such as bribery and smuggling.

To counter these effects, China's military leadership periodically issued regulations to tighten financial supervision, end abuses and curb economic activities. But officers in the

pire largely ignored them. They could do so either because these directives left loopholes or because the leadership refrained from forcefully applying them.

The reason is plain. The benefits from these activities for both political and military leaders were instant and tangible. They eased pressures for funds to the military, gave military chiefs independent revenue. and improved the lot of troops.

The deleterious effects on military preparedness, such as troop training, were not imme-diately visible. They were supposedly offset by the division of the armed forces into rapid reaction forces, which were not designed to engage in economic activities, and second-line units, which generated income.

A blanket order prohibiting the army from engaging in eco-nomic pursuits would have meant that China's leaders had to come up with huge outlays to compensate for the shutdown of the policy of the Deng leadeconomic development over military modernization. As for military commanders, they either agreed with this policy because of its benefits, or criticized but could not change it.

Until now. A dramatic shift came with President Jiang Zemin's speech last month to top military commanders, which ordered the army to get out of business operations. For all it importance and nov-

elty, the speech was short on details and left several questions unanswered.

The first is: Why now? The ostensible reason stems from the current anti-corruption campaign in which the military is a prime target due to its widesuread and well-known smuggling rackets. However, even pervasive corruption could have been tackled by less drastic measures. The campaign provides a convenient cover but not the whole explanation.

No less important is the stark enterprises. This ran counter to fact that economic involvement undermines military moderniz-

fosters factionalism. An army that expects to fight a modern war under high-tech conditions cannot afford this price, whatever the benefits. Professional commanders

have said this for several years, but they made little headway against political leaders and their military allies. Two factors combined to

cause a change. One is a generational shift in the army high command that has brought to the top ranks officers with professional qualities and aspirations. They understand how a modern war is fought and how backward their army is in relation to first-rate forces. They are determined to narrow the gap. This means returning the

army to military missions. The other factor is Mr. Jiang. Intent on establishing his credentials in the armed forces, he has strongly supported the professional military — including their desire to curb the army's economic involvement.

Mr. Jiang also has other motives: the popular fight against corruption, the further separation of the military from civilian society, and pressure from the economic bureaucracies. This convergence of interests between him and military commanders is the basis for his bold move.

Its success will depend above all on the availability of alternate funds. According to one report, the government will need to add to military allocations about 30 percent of the current military budget (which is about \$10 bil-

preparations, impairs specialize to compensate the army. One ership which gave priority to ation, exodes discipline and partial source might be the rev. enne that will be obtained from enterprises relinquished by the military, but how this process, will unfold is a mystery.

If it unfolds smoothly, and this is not at all certain, several, years will be needed to dislodge the military entrenched in commercial enterprises.

Even then, changes may be limited. For example, it is possible that among the 500,000 troops slated for demobilization; there will be many managers. who will continue to work for: the army as civilians. Another possibility is that officers involved in army companies will be transferred to reserve status but will continue in their jobs. "

A third is that the army willnot relinquish ownership of major enterprises, but these will be managed by nonmilitary profes-sional administrators. In such a situation, the army might retain some income from commercial ventures without being entangled in their management.

An ever present possibility, of course, is that military units will feign compliance without making real changes.

If Mr. Jiang and the professional military do succeed, even partially, they will have taken a major step toward advancing the army's revolution in military affairs. This will increase its capabilities as well as Mr. Jiang's influence.

The writer, professor of Chinese studies at the Hebrew University of Jerusalem, con-

#### 1898: Boudin Dies

resentatives of the impressionist school of painting in France, Eugène Boudin, died at Deanville at the age of seventy-three, For months past he has been prevented from working by cancer, and knowing his end was near, he had himself carried to the seaside, that he might breathe his last sigh in presence of the waves that had rocked him to sleep in infancy. Boudin was the last of the great masters of the school of 1830, but he was the first to adopt impressionism methods, though in a rational fashion

Steel Company, the largest sub-sidiary of the United States Steel Corporation, announces that the eight-hour day will become effective in its plants on August monthly quota would probably.

16. This action follows the continue for two years.

protest of civic organisations and church leaders, as well as a letter from the late President Harding to Judge Elbert H. Gary, head of the corporation, orging the abolition of the twelve-hour day in the steel mills.

#### 1948: Displaced Jews

TEL AVIV - The sorest point in the Arab-Jewish dispute immigration to the state of Israel - achieved renewed prominence with the revelation that 10,000 Jewish displaced persons are reaching israel monthly under the resettlement program. Vacated British Army cantonments, Arab homes in conquered areas and every other available housing have been converted into reception areas for the DP influx. Dr. Schwartz, who is working out details of the program with immigration of ficials, reported that the 10,000

### Stop This Splurging on Weapons

By Oscar Arias

WASHINGTON — Basic health services and clinical care to save 10 million lives could be paid for with less than half the yearly outlay by developing countries on military weapons, equipment

In developed countries, governments spend 10 times more on their military "defease" than on development aid to the poorer nations. How can the world spend

more than \$750 billion a year on weapons and armed forces while a billion people languish in poverty? How can the developed nations spend as much on mil-

itary power each year as the poorest 2 billion people on our planet earn in total income? Surely the continued arms trade represents one of the most pervasive forms of cor-

ruption. Political and military leaders in many countries, ignoring the needs of their people, often encourage arms purchases and stockpiling; we know that in many cases they have been able to personally reap financial gain from such transactions. Meanwhile, the weapons often become tools to thwart democratic processes and oppress the people. And which countries are

behind the lucrative arms in-

ply the majority of the world's conventional arms deliveries are none other than the five permanent members of the UN Security Council.

The new political environment created by the end of the Cold War allows for new perspectives and priorities. It is imperative that we take advantage of the world's unprecedented opportunity for peace. The people of all nations,

both rich and poor, benefit when resources are redirected from the pursuit of war to the pursuit of education, development, health and peace. For many years now, I have

been proposing the establishment of a Global Demilitarization Fund. In brief, the idea is to create a fund that will allow the world to take advantage of the elusive peace dividend. Nations would make voluntary contributions to the

fund from savings they earned through reductions in military spending. In this manner, a portion of the peace dividend would be available to commit to promoting global demilit-arization and to fund a UN standing force.

dustry? The nations that sup- tion Fund would be an im-

The Global Demilitariza-

human security. It might be managed by the World Bank and UN agencies endowed with sufficient authority to administer its resources justly and efficiently.
The goals of the fund would be. first. to create and use the

peace dividend; second, to

speed and encourage the glob-

al processes of demilitariza-

tion, demobilization and con-

version; and third, to help less

developed countries further their own democratic and human-development plans. It is impossible to achieve development and peace when the countries most desperately in need of resources fail to invest in their people and in-stead allocate significant funds to buying weapons from

the developed nations. These shipments can only lead to growing instability, decreased public security and the possibility of increased death and destruction. It is a deadly contradiction to promote war through the proliferation of weapons while preaching the need for peace.

The writer, the former president of Costa Rica, won the Nobel Peace Prize in 1987. This comment was distributed by New York Times Special WUAGE

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tributed this comment to the In-ternational Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

PARIS - One of the oldest rep-

1923: Eight-Hour Day

PITTSBURG - The Carnegie

that the

### HEALTH/SCIENCE

Adam Cohen, 17, who suffers from Hunter's syndrome, awaits the gene therapy treatment for his disorder.

### Gene Therapy: Promise Delayed Lack of Funding Is One Hurdle Impeding Success

By Andrew Pollack

**Pable** 

responsible Hunter's syndrome was discovered about 10 years ago, Joan Cohen was told by a doctor that it would take only five years to develop a dene therapy for the rare hereditary disease that afflicts her son.

Mrs. Cohen, who lives in Island Park, New York, is still waiting. Even in its mild form, the disease often kills people by the time they reach 35. "It's like a time bomb," Mrs. Cohen said. Her 17year-old son, Adam, is just 4 feet 11 inches (150 centimeters) tall and suffers from leaky and enlarged heart valves,

nothing I can do that will stop it."

When it first made headlines about a decade ago, gene therapy seemed the answer to the pany people affected by hereditary diseases. The idea is simple and eloquent. Many inherited diseases are caused by a faulty 23 are for HIV. Only 33 are for diseases, which makes the body mable so caused by a defect in a single reduce some expential protein or constant of those are for cystic factors, the most common inherited among Caucasians. answer to the prayers of thousands of produce some essential protein or en general zyme. Gene theripy would deliver the introsis; needed gene to a person's cells; which disease would then begin producing the essen-

But gene therapy so far has not worked, mainly because it has been difficult to get the genes to the desired cells efficiently and have them produce enough of the needed protein. Scientific evidence of consistent improvement in patients is lacking so far, although some

patients have reported gains. Even as significant technology hurdles are being overcome, other issues — business ones — may keep gene therapy from helping people like Adam

The focus of gene therapy has shifted from inherited diseases toward more common ailments like cancer, AIDS and heart disease — all areas that could prove more profitable.

thousands of them, affect anywhere from a handful to a few thousand people EW YORK — When the worldwide, hardly a commercially promising prospect for the pharmaceut-

The whole concept of gene therapy for genetic diseases doesn't fit the business model," said Dr. James Wilson, director of the institute for human gene therapy at the University of Penn-sylvania and president of the American

Society for Gene Therapy.

The situation raises the prospect that the Human Genome Project will discover an abundance of genes responsible for illnesses, but that no one will actually use those genes to help pa-

respiratory problems, and deteriorated bearing.

"It's only genes for things like obesity and baldness that are spurring further investigation," said Abbey is going to die," she said, "and there's Meyers, president of the National Organization for Rare Disorders.

Of the 244 gene therapy trials registered since 1989 with the Recombinant DNA Advisory Committee at

MONG trials registered since the beginning of 1997 the balance is even more lopsided— 53 for cancer and 8 for hered-

Although cancer has a genetic basis, it is an extremely complicated disease and many experts think gene therapy will at best become part of an arsenal of weapons achieving partial results. By contrast, diseases caused by a single defective gene could, at least in theory,

most likely to show success," said Dr. W. French Anderson, director of the gene therapy laboratories at the University of Southern California. "So it's on rare diseases.

Many genetic disorders, and there are really ironic that we can't get the funding to do it."

> When he worked at NIH, Anderson participated in the first human gene therapy experiments, performed on two girls with a rare inherited immune deficiency. But now, he said, his gene therapy work is directed at cancer, cardiovascular disease and arthritis because that is where the funding is.

Because the technology so far has not worked on a large scale, the pancity of clinical trials aimed at inherited diseases has not been a major issue. "Without the breakthroughs in technology, all the clinical trials wouldn't mean much in the end because they are not going to be successful," said Dr. Savio Woo, director of the Institute for Gene Therapy and Molecular Medicine at Mount Sin Medical Center in New York.

And some experts, as well as families with rare genetic diseases, are confident that once the technology works, money will become available Gene therapy probably would be covered by the Orphan Drug Act, which gives drug companies financial incentives to develop treatments for rare disorders.

Still, some scientists say that recent improvements in technology promise to bring the business issue to the fore in a few years, and efforts to address it are

The Food and Drug Administration and the National Institutes of Health have started to explore whether clinical trials of gene therapy for rare genetic diseases could be compressed to make them less expensive and require fewer patients. One proposal would combine the first phase of trials, used to test for safety, and later stages that test for efficacy, said Dr. Stephen Groft, who directs the institutes rare disease of-

be cuted by gene therapy.

Meanwhile, the University of Southgive you neat model systems that are

Meanwhile, the University of Southern California and the National Organization for Rare Disorders are discussing a cooperative effort to raise millions of dollars for gene therapy clinical trials

### A Dissenter in the Nursery Mother-Baby Bonding Theory Is Challenged

By Sandra Blakeslee New York Times Service

EWYORK—Challenging a popular belief about human development, a researcher claims to have found that the security of a baby's attachment to its mother does not influence how welladjusted that child will be later in life.

Events like divorce, disease and accidents are far more important in shaping a child's well-being at age 18 than any early bonding with its mother, said the researcher, Michael Lewis, a professor of pediatrics and psychiatry at the University of Medicine and Dentistry of New Jersey and director of the Institute for the Study of Child Development at the Robert Wood Johnson Medical School in New Brunswick.

The study is one of a number of

The study is one of a number of research projects on "attachment," a field that is gaining attention as experts debate what happens to infants and children when both mother and father work outside the home.

Dr. Lewis based his conclusion on a study of 84 children who were examined at age 1 in terms of maternal attachment — a popular measure of social adjustment and mental health and again at age 18 in terms of adult attachment to family and friends.

Secure attachment in infancy did not protect children from being maladjusted at age 18, Dr. Lewis said, nor did insecure attachment in infancy predict trouble during adolescence. He reported his findings at a recent meeting of the International Society on Infant Studies in Atlanta and in a book "Altering Fate — Why the Past Does Not Predict the Future," published last year by the Guilford Press.

The new finding attacks the gold stan-dard for understanding how babies and children develop: the so-called infant maternal attachment measure, which infers well-being from the reactions of babies who are temporarily separated then reunited with their mothers.

According to many experts in child development, how the baby reacts to the mother's return each time is critically important. If the baby cries, goes to the mother and is comforted, the child is securely attached. If the baby ignores the mother and is ambivalent to her return or if the baby cries but refuses to be consoled, the baby is insecurely attached.

To the adherents of attachment theory, this little mini-drama speaks volumes about the child's psychological health and profoundly influences that child's developmental course.

Figuring that behavior might imply something important about a baby's

devised a test called the Strange Situation. The test has many permutations but basically a mother and her 12-month-old baby enter a room in which they meet a stranger and find many interesting toys. After a few minutes, the mother leaves and the stranger plays with the baby. After two minutes, the mother returns and the baby's behavior is observed. A little later, the mother leaves the child alone in the room again,

waits two minutes and comes back in. The original goal was to find a mea-sure that would, in five minutes, identify the structure of the course of human personality development. Moreover, the nature of this early attachment emerges later in life, especially during stressful times. A good attachment is said to rotect you while a poor attachment will make you more vulnerable.

This view now dominates infant and child psychiatry. The cardinal rule is

#### Of course both past and present are important.'

that the mother-child relationship is vital for early life and determines sub-sequent social adjustment.

But life is not so simple, Dr. Lewis said. What happens to infants is important, but the notion that our early reactions are frozen into the brain, unmalleable by later experience, is open to question. To see if early attachment correlates with later adjustment, Dr. Lewis found 84 children who had been evaluated at age 1 - 49 securely attached, 35 insecurely attached - and

who were now seniors in high school. Each person was interviewed for an hour at home to measure adult attachment. Among other things, the teen-agers were asked to describe early relationships with their parents, to generate adjectives for each parent and provide memories to support the adjectives.

Interviews were scored by trained observers who examined how specific memories were integrated into a general understanding of the parent-child relationship. A teen-ager was deemed securely attached if he presented a coherent story about his relationship with his parents. A teen-ager was considered insecurely attached if that story was fragmented, ambivalent or incoherent.

Among securely attached infants, 57 percent were considered well-adjusted at age 18 and 43 percent were found to be maladjusted, Dr. Lewis said. Among in-

mind, researchers in the early 1970s secure infants, 74 percent were considered secure at age 18 and 26 percent were believed to have remained insecure. Dr. Lewis asserts that the critical factor in human development is not security of attachment at age 1 but subsequent experiences in family life. There are many critical periods in every child's life.

Divorce played a primary role in their adjustment and "to understand a child's emotional and social development, you have to look at his current life." he said. adding: "We don't so much remember the past as we reconstruct it in the light of present events. Accidents and chance encounters are a major part of life. The task always adaptation to the present.

The proponents of attachment theory, however, are not ready to give up on a method that in their view works. Alan Sroufe, a leading attachment expert at the University of Minnesota in Minneapolis, conducted a long-term study several years ago and found that, in his sample, infant attachment can predict psychopathology at age 17. "I disagree with Mike Lewis," Dr. Sroufe said, "His study is weaker than ours and he used fewer children. I'm not surprised he didn't find correlations. I also disagree with him on logical grounds. Your behavior is always a product of your history and your present circumstances."

Echoing that theme, Jay Belsky, a professor of human development at Pennsylvania State University in University Park and another well-known pronent of attachment theory, argues that infant day care can disrupt attachment and may harm children in the long run. 'Of course it matters how development proceeds, but what happens early in life makes a difference," Dr. Belsky said.

The debate is over how much of a difference. Critics of attachment theory, including Dr. Lewis, say that most researchers place far too much importance on what happens in the first year or two of life. Some proponents of the theory even argue that critical mother infant bonding begins at birth.

Irving Lazar, a professor emeritus of child development at Vanderbilt Uni-versity, is even more critical of attachment theorists. "Of course babies need good mothers," he said, "It's important to feel loved and secure. But the we called attachment measure is ludicrous. The one-time observation of a baby's reaction to its mother's return has no meaningful consequences.

When pressed, people on both sides of the debate will say "of course both past and present are important," said Robert Cairns, director of the Center for Developmental Science at the Univer-sity of North Carolina in Chapel Hill. but they really don't mean it.

Subscribe and SAVE

#### IN BRIEF

#### **Drug Shows Promise on Breast Cancer**

getting new tumors, researchers have reported.

as bisphosphonates that prevent bone loss from osteoporosis and cancer. Another bisphosphonate, pamidronate, already is given intravenously to women whose breast cancer has spread to their bone marrow. It helps prevent the painful breakdown of bone caused by bone-marrow tumors.

But the report, published in the New England Journal of Medicine, found that clodronate capsules — coupled with standard surgery, radiation and chemotherapy — also prevented the spread of breast cancer to bone marrow and other

The study suggests clodronate may interrupt a vicious cycle in which a hormone produced by cancerous bone-marrow cells increases bone breakdown, and a byproduct of bone

The study was led by Ingo Diel of the University of Heidelberg and paid for by a grant from the drug's maker.

#### On the Trail of the Human Line

NEW YORK (NYT) — The human line has emerged from

That is the ingenious and far-reaching surmise proposed in the latest issue of Current Biology by Caro-Beth Stewart of the State University of New York at Albany and Todd Disotell

Their conclusion emerges from an attempt to make sense of the geographical distribution of living and fossil apes and Old World monkeys. This special branch of the mammalian tree originated in Africa but spread through Europe and Asia. The orangutan, for example, is found only in southeast Asia but its close cousins the chimpanzee and the gorilla live only in

The two researchers drew up an evolutionary tree according to the best current evidence from molecular clocks and cladistics and then applied Occam's razor to search for the

Their conclusion is that an early ape-like species dispersed out of Africa about 20 million years ago, giving rise to the gibbons, orangutans and other ape lineages. One of these descendant ape species must then have moved back into Africa about 10 million years ago, speciating into the gorilla, the chimp and the hominid line that led to humans.

NEW YORK (AP) - Researchers have successfully tested people around the world each year.

frigeration required for the conventional vaccine. On a broader scientific basis, it is the best proof yet that a

In July, AIDS researchers reported that inoculations of an experimental AIOS vaccine using a weakened live version of HIV offered no protection and actually caused laboratory monkeys to develop AIDS.

NEW YORK (AP) — A new drug cuts the rate of breast cancer deaths by two-thirds among women at high risk of

The drug, clodronate, is one of a class of compounds known

breakdown stimulates tumor growth. Or it may act in some other way to kill cancerous cells.

Africa not once but twice.

of New York University.

simplest pattern of dispersal that would explain the known distribution of the species.

#### **DNA-Based Rabies Vaccine Is Tested**

the first DNA-based vaccine against rabies, a virus that has been well-known for thousands of years and still kills 40,000

Infections disease specialists in federal laboratories said the gene-based vaccine is long-lasting, inexpensive to make and does not require careful storage and handling. A report describing the new approach appears in the August issue of the journal Nature Medicine. Public health officials said it would be most beneficial in

developing nations that have higher rates of rabies infection, but rarely have the modern laboratories and reliable re-

gene-based vaccine could protect against a human pathogen. Researchers said it may provide a blueprint to make similar vaccines against HIV, hepatitis and other widespread ill-

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#### LANGUAGE

### The Summer of Our Content

By William Safire

EW YORK — In olden times, I used to file copy. A stack of cheap beige copy paper was on my desk for this purpose, and to crumple up satisfyingly when I rejected my own lede, or to make paper planes out of when the muse was absent.

upscale copy editors to call themselves language therapists. Copy paper went out with carbon copies, and former copy-paper crumplers now float pain-fully though the carpal tunnel of love. tent industry. It covers how different fully though the carpal tunnel of love. And I no longer file copy, or even transmit data; ever at the cutting edge of the pointiest cusp, I provide content.

If any word in the English language is hot, buzzworthy and finger-snappingly with it, surpassing even millennium in both general discourse and insiderese, that word is content. Get used to it, because we won't soon get over it. "The accent is on content" is an

advertising theme that Conde Nast publications has been running for the past 18 months. When Tina Brown, empress of buzz, left Conde Nast's New Yorker for a Disney affiliate to create a magazine that — living in synergy — would provide nonfiction material to become the basis of movies, she summed up her

future with: "It's all about content." This caused Maureen Dowd, the nend-sensitive Times Op-Ed columnist, to ask. "And what in heaven's name is content? Isn't it just a pre-tentious word for substance, which was, anyway, a pretentions word for cess, like a pipeline to a destination," ideas? Can content be synergized the says Paul Lewis, an on-line advertising pioneer. "A content provider is the outfit that offers the stuff you want at way milk is homogenized?

Only a few weeks before, a magazine about the media named the destination:" Brill's Content borst spon the scene.

Brill's Content borst spon the scene.

1991, Byte, a McGraw-Hill print publication: "Compression will be content," says Bill Kovach, its ex-lication:

of the writing of nonfiction journa-lism." To avoid litigation with another publisher threatening to seek an injunction to protect a trademark claim to Content, the proper name was added.

John Noon, who made the earlier Now there is a movement among claim (his Content World Publishing applied for the single-word trademark in 1991), says "we named the magazine Content because it was going types of content can make it into digital media." Another magazine, published in London, Ontario, that describes itself as "paving the way to the information superhighway," is titled Content Lon-don and has been in business since 1996, the same year Canadian Content, a review of software for educators, was

> As used narrowly in the computer world, content means "the information on a Web site"; more broadly, it means "software rather than hardware" or "data or other material to be provided by on-line services." The phrase on-line service provider (OSP) — used to describe such firms as America Online, Fujitsu Niftyserve, or Composerve led to the term content provider (which is not shorthanded as CP, because some of us remember the Communist Party). "A service provider — Earth-link, Prodigy, AT&T — gives you ac-

First use I can find is in the June 1,

ternal ombudsman and my former handled primarily by the content pro-Times colleague, "to give the reader the understanding that the purpose of the magazine was to review the content porting in The San Francisco Chronicle about a Ziff-Davis venture, Jerry Car-roll wrote: "ZDTV will create 300 new 'content provider' jobs. In case you're wondering what they are, look no fur-ther. I'm a provider and what you're reading is content.

Martin Nisenholtz, president of electronic media at The New York Times, recalls the predecessor phrase, information provider, in the days of videotext in the early '80s. "Information provider morphed into content provider," he says, "in the mid-'80s, when it became necessary to include entertainment." (Martin uses verbs like morphed, zipping past the New Age types still mired in evolved.) The content absorber (that's you, formerly Dear Reader) is undoubtedly experiencing the rush of insight made possible by the prism of lexicography. When information — the name of the highway, the society, even the era needed a broader term to encompass or

subsume entertainment, the carapace of *content* emerged. And as the profit-making synergy—
that combination of fact and fiction in
which the entertaining whole is hoped
to be greater than the informative parts attacks the world of journalism, it has found its identity in the word content. As a result, the old, narrow, truthrutted information superhighway has

morphed into nothing but a country lane, a tributary of the ever-widening channel of Original Synergy. Access content before its stuff accesses you. But beware: This is no vogue word or Conde Nast usage. The darkly sweeping reach of content marks this coinage as a true millennialism. When every story is partly true, who can then be false to any man?

New York Times Service



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### **BUSINESS/FINANCE**

#### MONDAY, AUGUST 10, 1998

### U.S. Military Puts Out 'For Rent' Sign

#### Need to Buoy Budget Makes Swords Available as Plowshares

By Steve Vogel Washington Past Service

WASHINGTON - A P-3 Orion aircraft took off from Patuxent River Naval Air Station in southern Maryland last week on a special reconnaissance mis-sion. But instead of heading over the open sea to hunt submarines, as P-3s normally do, the plane headed north to

Maine: Its mission: to hunt blueberries. Over the target area, the plane trained its synthetic aperture radar on the Maine landscape, peering through thick woods to find patches where blueberries are thriving, and others where they are dis-

The mission was the first of many planned for the state of Maine, which wants to use the plane's sensors for a variety of environmental and economic purposes, including assisting farmers, monitoring ocean conditions, measuring damage from last winter's ice storm

and tracking fishery stocks. In addition to spotting lobsters and blueberries, the flights allow the Navy to use the aircraft to test new sensor technologies that may eventually be added to the fleet for war-fighting

And - not least in the Navy's calculations — the deal with Maine will provide Patuxent River with income. "We don't do anything free," said Joe Laska, a Patuxent official involved

With defense budgets shrinking and more cuts threatened, a number of military research labs and testing bases are aggressively seeking such business deals to help pay the bills and keep

Countdown

Begins for

Japan to Act

seem to be sufficient to keep the

speculators at bay. Markets in East-

em Europe and Latin America also

The underlying view is that it kind of countdown has begun, with

market speculators again betting that the deflationary conditions in

Japan - as measured by a weak-

ening currency - will trigger tur-

moil in Asia and elsewhere before

Japan fulfills repeated policy prom-

It is clear that speculators,

though burned on previous forays,

still are willing to bet that a de-

clining yen will drive China and then Hong Kong to devalue and thereby trigger a new bout of global

To be sure, there are serious

home-grown problems throughout East Asia and elsewhere. But these

domestic problems - whether in

China, Russia or Brazil - appear to

be more intractable in an envir-

onment where Japan seems to be

Such an outcome, however, as not on anyone's agenda. Logic and

the will to survive and succeed dic-

tate that Japanese policymakers will do what is needed to get the

economy moving.
"They will deliver," asserts a

See YEN, Page 13

**CURRENCY RATES** 

drifting into a world-class crisis.

ises to get its economy moving.

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financial turmoil.

Other Dollar Values

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expensive facilities and equipment op-

In the case of Patuxent River, the agreement with Maine could provide about \$1 million in funding for the Navy, depending on the number of

Consultants are even training gov-ernment program managers and engineers to think like copier salesmen and sell their products.

This has resulted in unusual publicprivate and inter-governmental partner-

Electronic warfare equipment at Patuxent River, designed for jet fighters, is being used to test tractors and buses. Explosive compounds developed for tank ammunition are being adapted to inflate car air bags at the Indian Head Naval Surface Warfare Center, in

Charles County, Maryland. At another Naval Surface Warfare Center, at Carderock, in Montgomery County, Maryland, contenders for the next America's Cup are testing new yacht designs in the facility's giant towing basin, which is normally used for testing models of warships and sub-

harmes. Work at the Naval Research Laboratory in Washington on the use of fiber optics to locate stress points in military planes and ships is being ex-amined for its application in building

Private research, much of it for the automotive industry, accounts for a growing percentage of work at the Aberdeen Testing Center in Harford County, Maryland.

By Tim Blangger

Washington Post Service

The amount of commercial work at

major Defense Department range and test installations increased almost threefold from 1995 to 1997, to \$28 million.

The growth has been driven by a series of laws passed by Congress in recent years that encourage the military to share technology with private industry and make it easier for the private sector to do business with the services.

Seeking a new, post-Cold War mission and with the demand for military work declining, many defense laboratories have grasped the opportunity. Leasing surplus time to the private sector allows the military to sustain the capabilities of the labs and their op-

erators, and to subsidize costs.
"You have a choice," said Rob Young, an official with the business development office at Patuxent River. You either just downsize and become smaller, or you go out and bring busi-

The increased commercial work has drawn the ire of some private industry

groups.
"We're getting increasing complaints from our membership about bases doing commercial work," said Tony Pagliaro, the director of govern-ment relations of the American Council of Independent Laboratories in Wash-

The effect of the military initiatives. the group said in a recent position paper, is that government-subsidized facilities are unfairly competing with private scientific, engineering and testing compa-

Many program managers, veterans of the big defense budget years, find that River, officers and civilians were



Paul Fritz, a worker at the Patuxent River Naval Air Station in Maryland, points at an F-18 at the base's antenna range. The electronics systems on the fighter jet have now been made available for assignments from the private sector.

soliciting business requires a new mind-

"We're taking mid-level govern-ment engineers and scientists and teaching them that marketing is everybody's job," said Heather Herod of the business development office at Patuxent

At one recent session at Patuxent

coached on how to win business by consultants whose presentation in-cluded slides with titles like 'What your customer wants" and "Business development and you.'

"It gets us into an area we've never been trained in," said John Dawson, a participant. "The last thing you expect

# when you join the government is learning how to market."

### **CYBERSCAPE**

### Blocking Porno Spam: Some Measures You Can Take

NSOLICITED commercial

On Economy ? bulk e-mail, which is more commonly known as spam, causes many problems and headaches. A certain category of this bulk e-mail — that which advertises adult World Wide Web sites — plays a By Carl Gewirtz International Herald Tribune major role in promoting sexually ex-plicit sites on the Net PARIS - The Chinese and This unwanted e-mail helps make

Hong Kong currencies carrie under severe pressure last week, as did the money for operators of both free and currencies and financial markets in pay-to-view porn sites. Although exact South Korea, Thailand and the figures are difficult to find, recent es-Philippines, on fears that Japan timates suggest there are as many as would not act swiftly enough to 28,000 adult sites on the Net. recharge its economy.

Like other forms of spam, most re-Assurances from Chinese and cipients deal with this unwanted e-mail Western bank analysts that a dein the same way: They delete it imvaluation of the yuan is not a solumediately. tion for China's problems do not

But those who take up the offer and visit these sites, which are almost always advertised as free, fuel one of the

Net's most profitable enterprises. Like the numbers of sites, the amount of groney involved is difficult to measure: Forrester Research Inc., based in Cambridge, Massachusetts, estimates that adult on-line entertainment will generate \$185 million in 1998, compared to \$137 million in 1997 and \$101 million in 1996.

The numbers are a small part of the \$4.8 billion that Forrester predicts for all on-line retailing this year, but the numbers are large to the people involved in the porn business, where overhead is often low and the images are often borrowed from other sites or appropriated legally or otherwise from copyrighted

"It is certainly one of the more dis-gusting parts of the spam problem, but it tends to help the anti-spam movement, because the porn spam is usually a lot more offensive than the multilevel marketing scams and the like that spammers usually advertise," said Paul Hoffman. who directs the Internet Mail Consortium; an Internet trade organization that specializes in e-mail research.

"But the problem — and I've heard this from at least two sources — is that porn spam works. It brings people to a

Here's how it works: A user receives an e-mail, advertising an adult Web site. The e-mails are explicit and almost always provide some detail about the sort of adult entertainment the Web site contains. Many spams also contain the "Adults Only" disclaimer, but there is usually no secure method of checking

the age of a visitor to a site. The user logs onto the Web site, and immediately banner advertisements ap-pear on the page, along with some of the entertainment promised in the e-mail.

Each new banner advertisement that appears nets the owner of the Web site a small amount of money — usually a penny or so. If a user then clicks on the banner ad itself, which usually takes the user to an adult pay Web site, the owner of the free site gets additional revenue. The banner ads themselves contain pornographic images. Some include pornographic animations.

From the porn spammer's point of view, the economics of this are advantageous, says John Mozena, a spokesman for the Coalition Against Unsolicited Commercial E-Mail. "Unlike other forms of direct mar-

keting, there is no incremental cost for each additional e-mail spammers send," Mr Mozena said, "There's no additional postage, no additional print-ing costs for each spam they send. Also, because sparn is so cheap, there

is no incentive for porn spammers to send the e-mail messages only to people who might be interested in adult services. Porn spammers "don't send spam based on a user's on-line usage habits," Mr. Mozena says, meaning anyone from

a 12-year-old to a grandmother can, and does, receive these messages. Filtering these unwanted messages the so-called technical fix for the spam problem - also creates problems, and you may filter out messages you want. There are measures individual users

can take, however. Here are some: Limit opportunities for spammers to "harvest" your e-mail address. Spam-mers generally use programs that search for e-mail addresses in Usenet postings and in other Net areas. If you post on Usenet regularly, consider altering your "return" e-mail address. This is the address that appears in the "from" sec-

tion of your Usenet posting. In the preferences section of your Web browser, eliminate your e-mail address. This may prevent you from en-tering some Web sites where browser "cookies" — information about the user which is sent to a Web server - are required. But eliminating the e-mail address should prevent spanniers from harvesting yours when you enter Web

sites. If you use your browser as your main e-mail software, this won't work. Don't include your e-mail address in the preferences section of your chat software, America On-line, largest U.S. Internet service, recommends that a user who takes part in chal rooms use a name other than his or her main screen name. Individual accounts can have as many as five different screen names. This can make efforts to search and harvest email addresses more difficult. Some

e-mail addresses in their user profiles. Experiment with filtering systems used by many of the more robust e-mail programs, such as Eudora Pro. Remember that spammers often change their methods and that simply filtering e-mail

popular Net chat programs, such as

ICQ, recommend that users not put their

topic lines for obvious phrases like "XXX" will not always work. Many of the porn spam e-mailers have been using innocuous topics like "Hi" and The Information You Requested.

Tim Blangger wrote this article for The Allentown Morning Call.

Recent technology articles: www.iht.com/IHT/TECH/ Internet address: CyberScape@IHT.com

### Strike Hits **Bell Atlantic** In 12 States

#### Walkout Could Affect Millions of Phone Users

Compiled by Our Staff From Desposition NEW YORK - Thousands of telephone workers from 12 states and the District of Columbia went on strike against Bell Atlantic Corp. early Sunday in a walkout that could affect service to millions of callers in the heavily populated Eastern seaboard from Virginia to Maine.

Negotiators representing 73,000 Communications Workers of America workers failed to reach an agreement with the company before their contract expired on Sunday. Workers went on strike in Penusylvania, New York, Massachusetts, Rhode Island, Maine, New Hampshire, Vermont, New Jersey, Delaware, Maryland, Virginia, West

Virginia and the District of Columbia. A Bell Atlantic spokeswoman, Sue Krause, said Sunday that the parties were no longer meeting, but that the New York-based company was "ready to continue talks." No time has been set

for talks to resume Ms. Krause said Bell Atlantic managers had taken over duties usually performed by the union rank and file. Union workers said customers could expect to experience delays using directory assistance or making collect calls. Customer service also was likely to be affected, the union said.

The International Brotherhood of Electrical Workers, whose contract with Bell Atlantic also expired, decided against going on strike and would continue to negotiate, Ms. Krause said.

In New England, about 13,200 Bell Atlantic workers who are members of the that union agreed to continue working temporarily under their current contract. But another 2,800 who are members of the Communications Workers of America that went on strike, union of-

ficials said early Sunday.

Another "Baby Bell," Bell South, reached a tentative settlement with its 48,000 union employees, saving callers in the southeastern United States from possible service disruptions, said Candice Johnson, union spokeswoman.

Southern New England Telecommunications Corp. has also reached a tentative contract agreement, while Denver-based US West Inc. has another week to negotiate.

Contract negotiations are taking place as the U.S. phone companies face increased competition and a wave of mergers. Bell Atlantic agreed last month to buy GTE Corp. for \$66.66

billion. Bob Masters of the Communications Workers of America told CBS radio that a key issue in the dispute was Bell Atlantic's plans to subcontract work to

lower-paid non-union workers. "They want to take decent-paying" union jobs and turn them into low-wage jobs with inadequate benefits," he said. We have to keep those jobs in the union and make sure they are decentpaying, family-supporting jobs with good health benefits and decent pen-

sions. The sides also failed to agree on access by union members to new jobs at Bell Atlantic's non-union subsidiaries,

wage benefits and forced overtime.

(AP, Reuters, Bloomberg)

### **Jurors Award Damages in Stealth-Jet Suit**

By Andrew Pollack New York Times Service

LOS ANGELES — A jury has assessed punitive damages of more than 160 million against five oil and elemical companies for injuries suffered by workers building the Stealth fighter at Lockheed Corp., according to lawyers involved in the

The jury verdict, handed up Thursday in the Los Angeles County Superior Court but announced Friday, followed a finding that the \$81.25 million against Unocal Corp.

companies had not provided ad- and \$45.6 million against Du Pont equate warning about the toxic effects of chemicals such as the solvents that were used in the manufacture of the radar-evading aircraft

in the 1960s, 1970s and 1980s. The jury, which had already as-sessed \$25.4 million in compensatory damages against the companies, levied punitive damages of \$252.1 million against Exxon Corp., \$236.1 million against the Shell Oil unit of Royal Dutch/Shell Group, \$145.6 million against Ashland Inc.,

Co., said Larry Janssen, a lawyer for the five companies.

Mr. Janssen said the companies would appeal. Some 640 workers initially sued

both Lockheed and numerous chemical companies, saying the workers suffered effects that ranged from death from cancer to nervous system damage to lesser illnesses, according to Jack Girardi, a lawyer for the workers. Lockheed and many of the chemical suppliers settled in earlier stages of the suit.

# The Government of the Republic of Congo invites sealed proposals from

## New Delay on Loans to Pakistan

Rebuff by Islamic Bank and Gulf Financiers Adds to Economic Woes

| Aug. 7 | September | Aug. 7 | September | Aug. 7 | September | September | Aug. 7 | September | Sept JDDA — The Islamic Development Bank, Arab governments and Gulf financial institutions have told Pakistan that its request for \$1.5 billion in loans cannot be decided until next month, a bank spokesman said. The move deals a fresh blow to Pakistan, which is trying to avoid defaulting on \$32 a To boy one pound: h: To buy one dollor "Units of 100; N.Q.: not quoted: N.A.: not

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billion of debt. Sanctions imposed after the Asian nation carried out nuclear tests in May have bitten deeply into the economy. The conclusion will come Sept. 9 as the president of the Islamic Development Bank, Ahmed Mohammed Ali, believes the

issue is too big to be handled within one

day," the spokesman said Saturday after a day of talks involving Pakistani officials and Gulf officials and bankers. With its foreign exchange reserves dwindling and its economy sinking, Pakistan revived negotiations with international lenders after the United States said last month that it would not actively oppose

"It is hard to see where the Gulf Arab

countries are going to get the money to help Pakistan when they themselves are experiencing great financial difficulties at this time because of the long period of low oil prices," said Walid Khaddouri, an analyst with the Cyprus-based Middle East Economic Survey.

The bank has 52 member states, with the

biggest subscribers being Saudi Arabia and The government of Prime Minister Mian Nawaz Sharif of Pakistan came to power in

February last year promising to clamp down on corruption and to target tax evasion as he set out to modernize the economy. Instead, defense spending and interest

payments still absorb more than 70 percent of the budget, while only about 21 percent of tax revenue is collected. Foreign investment had already dwin-

dled before the economy was hit by sanctions, dropping by half to about \$1.2 billion in the last two years, analysts say. The Asian financial crisis, which has made investors nervous about emerging markets, has exacerbated the problem.

République du Congo Ministère des Finances et du Budget

TENDER FOR THE SELECTION OF A PRE-SHIPMENT INSPECTION COMPANY

internationally reputable companies for the provision of PSI services covering imports and some exports. Interested companies will be required to submit their bid in one original and three copies to the Ministry of Finance and Budget, in Brazzaville in two separate sealed envelopes: Envelope "A" will contain technical data to be used for prequalification

Envelope "B" will contain price proposals Tenders must be received at:

before 15 September 1998 at 12:00 noon, when public opening will take place. Proposals should remain valid up to 16 November 1998. They must contain a bid bond worth CFA francs 30.000.000 (thirty Million) or its equivalent in convertible currency, established in the name of the Ministry of Finance and Budget. Bid bond is liable to forfeiture, should the Bidder chose to withdraw his/her bid between the time of the public bids opening and the expiry of the validity period, or fail to

Ministry of Finance and Budget, Office of Mr. Kaba Mbouala

accept and sign the contract established in terms with his/her proposal by the Ministry of Finance and Budget. Interested companies can apply for a copy of the Request for Proposals from one of

the following sources through a formal request on Company stationary signed by an authorized representative:

Mr. Kaba Mbouala **Economics Advisor** Ministère des Finances et du Budget 242 41 12 66 Fax: 242 81 41 45

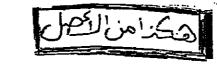
ICS (the SWIPCO Group) 4, rue de la Paix 1003 Lausanne, Switzerland 41 21 318 8230 41 21 318 8231

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#### CAPITAL MARKETS ON MONDAY

### With Clouds Over Wall Street, Treasury Bonds Look Set to Push Records

Bloomberg News
NEW YORK — Turbulence in the U.S. stock market and turmoil in Asian economies are likely to push the yields on long-term Treasury bonds to record lows in coming months, some leading

bond investors say.
"The outlook for bonds over the next six to nine months is extremely positive," said Ned Riley, chief investment officer at BankBoston, which oversees \$30 billion of assets. He predicted that yields on the benchmark 30-year Treasury bond will fall below 5 percent in the next year.

Bonds turned in their best weekly performance in almost two months rising 1 9/32 points last week - in part because shakiness in stocks prompted investors to seek safer investments. The Dow Jones industrial average fell 3.4 percent Tuesday, its biggest drop so far this year, based on concern that the

Asian economic slowdown will burt the profits of some U.S. companies.

Now, with no quick solution seen to Asia's problems and U.S. corporate profits expected to grow at a slower pace, investors say there is more room

#### U.S. CREDIT MARKETS

for bonds to rally -- even with yields already near the lowest level since the government began selling 30-year bonds more than 20 years ago.

"Rates are going to go lower," said David Berry of Lincoln National Corp. in Fort Wayne, Indiana. The yield on the 30-year Treasury bond fell as low as 5.56 percent July 7,

finishing the week at 5.62 percent, down from 5.72 percent the week before. So far this year, bonds have handed investors total returns of 7.7 percent, when price gains and interest payments

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are taken into account. That compares. with returns of 9.7 percent in the Dow industrials, and 13.2 percent in the Standard & Poor's 500 Index, including reinvested dividends.

As recently as April, when 30-year yields topped 6 percent and rosy firstquarter profit reports sent stocks soaring, bonds were breaking about even for the year. The Dow industrial average and Standard & Poor's 500-stock index

were both up more than 13 percent.
"The gap is narrowing," said Edgar
Peters of PanAgora Asset Management in Boston. Of the \$5 billion that he manages, he has about 70 percent in bonds and just 17 percent in stocks — with the rest in cash equivalents.

Some money managers said they are seeing more cash coming into bond funds as investors turn to conservative investments to offset the risk of owning

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French Franc

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Italian Lire

Japanese Yen

Spanish Peseta

Swedish Krona

**Polish Zloty** 

160 World Bank

U.S. Dollar

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Americas

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Individual investors shoveled about unies. Yet many investors are confident \$7.3 billion into ultra-safe money-market mutual funds this week, an industry group reported. That is more than double what went into these funds during the week of Oct, 27, the last time the for long.. stock market fell so far so fast, ac-

cording to IBC Financial Data Inc. The slide in stocks is causing people to "rebalance" their holdings, said Wilham Dawson of Federated Investors in-Pittsburgh. "We're getting more money into our government bond-type

Three-month Treasury bills among the safest and most tradable securities - rose enough to push yields down 0.09 percentage point, or 9 basis points, to 4.98 percent on a bond equivalent basis. Three-year note yields fell 14 basis points to 5.32 percent.

Another reason short-term securities are finding favor is that the Treasury next week will sell \$37 billion of new five-, 10- and 30-year securities as part of its quarterly auctions.

The dose of new securities could temporarily overwhelm demand, keeping in check the gains of longer-term Treas-

that with the government borrowing less, as it prepares to register its first budget surplus in almost three decades. the new debt will not undermine bonds

Others are less sanguine. They say they do not see how bonds can rally much more, with the Federal Reserve Board unlikely to cut interest rates any-

time soon. The Fed last changed rates in March 1997, when it raised its target for overnight lending between banks by 0.25 percentage point to 5.50 percent. The rate setting Federal Open Market Committee next meets Aug. 18.

percent annual pace in the second quarter from a 5.5 percent annual pace in the first three months of the year, the housing and employment markets remain stronger than they have been in

New-home sales ran at a record pace in June, while the unemployment rate, at 4.5 percent last month, is near its lowest in a generation. Some fret that once the rest of the economy snaps back from the recent slowdown, inflation could accelerate

"Even though we had a slowdown in the second quarter, the underlying pace of demand is still healthy," said Charles Reinhard of ABN-AMRO International. Based on his analysis, Mr. Reinhard said, bond yields are about where they

Still, many investors predict turmoil in Asia will reduce corporate profits. helping to control inflation and keeping individuals from putting all their money into stocks.

On Friday, the government said the U.S. economy added 66,000 jobs last ommittee next meets Aug. 18.

While U.S. growth slowed to a 1.4 June—though some of the drop reflects a recently settled strike at General Motors Corp.

At the same time, hourly earnings, a easure of inflation, rose 0.2 percent, less than expected

Taken together, the slump overseas, combined with prospects for slimmer U.S. corporate profits and slowing growth, may mean Treasury bonds will be among the best bets in the months ahead — not just the safest ones.

#### **Most Active International Bonds**

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152 Germany
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176 Treuhand 177 Core FRN 178 Scottish Power

Dutch Guilder

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The 250 most active international bonds traded

**Belgian Franc** 

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The Week Ahead: World Economic Calendar; Aug. 10-14 A schedule of this week's economic and financial events, compiled for the International Herald Tribune by Bloombero Business News

Asia-Pacific Expected Melbourne: National Power Confer- No conferences on schedule. This Week ence, Tuesday through Thursday Sydney: Australian Chemicals Summit. Through Tuesday.

Tokyo: The Bank of Japan releases

Japanese in overseas branches of

Tokyo: The Real Estate Research

Manila: Foundation for Economic

Wellington: ANZ Banking Group

vey of job advertisements in New

Zealand newspapers for July.

Wednesday Melbourne: Securities Institute Aus-

(New Zealand) Ltd. releases its sur-

tralia hosts a seminar on leveraged

Tokyo: The Bank of Japan releases figures on bank lending and de-

Freedom Inc. holds forum on power

Institute releases figures on real-estate prices for the April-June period.

figures on deposits in August by

financial institutions.

privatization

posits for July.

Nothing scheduled.

San Francisco: The Data Warehousing Institute hosts its Summer Implementation Conference. Through Friday. New York: International Quality & Productivity Center conference, "In-

day through Wednesday. **Budapest:** The Hungarian Central Caracas: Venezuela's state heavy Statistical Office releases the June industries holding company, Corpoproducer price index. racion Venezolana de Guayana, July aluminum production figures. Kiev: Ukraine State Statistics Committee, industrial output for July. Prague: The Czech Statistical Of-Washington: Agriculture Depart-

fice releases June industrial output. Frankfurt: Deutsche Bank Research holds press briefing on its forecasts for German industry in light of the Asian economic crisis. London: The Confederation of British Industry releases its regional

Bratislava: The Slovak Statistical Office releases the consumer prices Copenhagen: Danmarks Statistik

trends survey for August.

eases May current account and trade balance. Madrid: National Statistics Institute.

consumer price figures for July. Stockholm: Statistics Sweden re-

leases July consumer price figures.

Washington: Commerce Department reports July retail sales. Washington: Labor Dept. releases its estimate for import and export prices for July.

U.S. petroleum stocks, production.

Arlington, Virginia: The American

Gas Association releases its weekly

U.S. natural gas inventory report.
Ottawa: Statistics Canada releases

June new-housing price index.

imports and refinery utilization.

Weilington: The government releases report on food prices in July.

Hong Kong: The government re-

eases external trade statistics. clas-

sified by country and commodity, for

Paris: The Ministry of Employment releases its preliminary report on job creation and wages for the second quarter.

Riga: The Latvian Department of Statistics releases July unemployment figures.

**Buenos Aires:** The Argentine Brew-

ery Industry Association reports July Washington: Labor Department reports July producer price index. Washington: Federal Reserve reports July industrial output.

### Safe Harbor of Government Bonds

#### Prices Surge as Investors, Seeing Little Value Elsewhere, Protect Capital

By Carl Gewirtz International Herald Tribune

PARIS — As the world begins to look like an increasingly dangerous place, at least from the eyes of investors, government bond markets especially in the bigger and more liquid markets of Europe - have as-

serted their role as a safe harbor. With stock prices nearly everywhere gyrating widely and asset values in admittedly risky instruments like emerging market bonds and currencies increasingly volatile, govern-

in prices — and equally startling declines in yields. Among the Group of 10 leading industrialized countries, only in Britain, Canada and the United States are yields on 10-year government bonds still above 5 percent, and vields in all the G-10 countries are at or close to historic nominal lows. "In this environment of low growth

and low inflation and big credit risks, investors are looking to maintain capital value rather than trying to maximize returns," said Jan Loeys of J. P. Morgan in London. "The rally in bonds is driven less by speculative market participants, and more by end investors who see little value in other collapsing. He believes that in the asset classes. The country arm of a recession of a

other dollar markets in Canada and Australia) and the Deutsche mark sector (versus France and the Netherlands) shows that investors are putting a premium on the largest, most liquid markets.

helped drive overall commodity prices for the Home Loan Bank. to a five-year low, is also putting pressure on Russia. Belt-tightening is taking cies have been using the global formula to widen their investor base from the traditional American institutional economic fundamentals are sound enough to avoid a crisis, says Giles Keating at Credit Suisse First Boston in

Indeed, it is the dramatic widening of the U.S. trade deficit, already under

Yields in all the G-10 countries are at or close to historic nominal lows.

way and expected to still worsen considerably, that is behind analysts' warnings that the dollar looks vulnerable against the mark. By the end of the year, the dollar is seen heading toward 1.60 DM by Goldman Sachs. Although the number differs mod-estly, most analysts see the dollar slid

ing against the mark and the soon-to-beborn euro. Even at Morgan Stanley, normally bullish on the dollar, analyst Ravi Bulchandani warns that "it is unsafe to hold the dollar while the Dow is

money moving into bond markets should concentrate on European and especially on mark-denominated

Nevertheless, there was obvious heavy demand for dollar paper last itive for these core countries, it also has Federal Home Loan Bank tapped the a damaging impact. In particular, the global market for large amounts, \$3 decline in the price of oil, which has billion for Fannie Mae and \$1.5 billion

investors, and while their first global issues were big successes internationally, their most recent issues have been notable for the poor participation out-

side of the United States. This was reversed last week. Fannie Mae reported that 58 percent of its issue was sold to investors outside the United States with more than half distributed in Asia. The the for the Federal Home

40 percent sold in Asia and the remainder in the United States.

Managers of the bank's three-year notes, ABN-AMRO Hoare Govett, said the big demand from Asia was from central banks seeking higher-yielding paper that is virtually as secure and nearly as liquid = he U.S. government securities in which they

noncally park their dollar reserves.

Backers were unable to say whether the demand from the Asian central banks was due to an increase in reserves following distribution of loans from the International Monetary Fund and the World Bank or a surge in expects and foreign exchange income.

Little of the bankers said the U.S.

Little of the bankers said the U.S. creasing budget surplus has created

demand for substitute paper. With agency paper not following the rally in the government bond mar-ket, both Fannie Mae, priced to yield 27.75 basis points over comparably eral Home Loan Bank at a spread of 24, offered yield pick-ups wider than seen in the past few years.

### **New International Bond Issues**

1999 5.5825 700.00

2015 61/2 99.767

Compiled by Laurence Desvilettes

**Floating Rate Notes** 

Altionce & Leicester Group Treasury Lehmon Brothers Holdings 2003 0.275 99.796 Fixed-Coupons BMW Australia Finance

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ment releases its weekly report on planting progress for seven crops. World Bank Mexico City: Banco de Mexico re-Denmark 2001 3.70 100.00 leases the levels of the country's World Bank Washington: American Petroleum nstitute issues its weekly report on Equity-Linked

7,018.41 7,936.20

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### Last Week's Markets

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1,044.57 1,096.33 --- 4.72 London p.m. fbt.\$

#### Euromarts

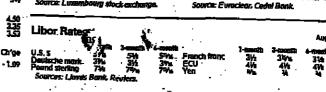
oble. Fees 0.625%, (HSBC Markets.)

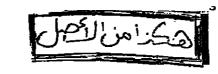
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Eurobond Yields \$ Next 168.0 1,020.3 55.2 405.9 714.6 2066.5 8,151.8 2640.4 9,941.9 5 Nort 258.4 1,007.8 — 81.8 Straights Convert. FRNs ECP Total

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# In Latest Deal, Buffett Lines Up With the Bears

By Robert D. Hershey Jr.

EW YORK - If actions speak londer than words, the person many consider the nation's most astute stock-market investor, and surely its most infinential, seems, at least, to be

whispering "sell." While Warren Buffett, the billionaire founder and chairman of Berksbire Hathaway Inc., has long argued that long-term investors should welcome market drops as chances to scoop up bargains, his proposed acquisition of General Re, America's biggest reinsurance company, involves a major, largely unrecognized, portfolio shift from stocks to bonds.

Before the deal was announced. Berkshire Hathaway had \$40 billion of its \$50 billion in assets allocated to the stock market. But the addition of General Rewhich is laden with bonds, changes that share to \$45 billion out of \$74 billion.

"In one fell swoop, Berkshire reduces its stock holdings as a percentage of investment assets from 80 percent to roughly 61 percent," said Daniel Pe-cant, proprietor of a family brokerage firm in Sioux City, Iowa, and a close student of his Com Belt neighbor.

#### **Finding His Comfort Zone**

is Warren Buffett getting defensive about stocks? Two steps taken by his company, Berkshire Hathaway, suggest that

3. Sale of \$4.6 billion in

zero-coupon Treasury bonds. WHAT IT MEANS: Buffett believes that interest rates, which move inversely to the price of these bonds, have reached a bottom and are likely to start rising, which

Sources: Pecaut & Co., Berighire Hathaway

could hurt stocks.

.2. Purchase of General Re for \$22 billion.

WHAT IT MEANS: The aquisiton reduces the stock allocation in Berkshire's portfolio, helping insulate it against the risk of a falling

	OTAL INVESTMENT ASSETS (billions)	STOCKS (biflions)	STOCKS %
Predeal Berkshire	\$50	\$40	80%
Added from General	Re 24	5	21%
Post-deal Berkshire	\$74	\$45	61%

'Clearly, he is selling stocks, and there is something important going on."
Mr. Buffett, who has said almost

nothing publicly of late, denied when the deal was announced in June that it reflected any belief that stocks might be peaking. "It is not a market call what-soever," he stated.

The acquisition of General Re does offer Berkshire some tax advantages and other benefits. But it is difficult to conclude that the purchase is anything but a reallocation of Berkshire's assets on a scale befitting an investment behemoth.

There have been other clues that Mr. Buffett has grown wary of stocks.

One is that Berkshire has lately been venturing outside its traditional realm of blue-chip companies (200 million shares of Coca-Cola being the largest position); Geico and other insurance companies, and ownership of an assortment of small operating subsidiaries in businesses like candy, jewelry, shoes, furniture and vacuum cleaners.

In recent years, Berkshire took a large position in oil futures, of which contracts for 14 million barrels remained at the end of 1997. And the company stunned the metals market last year by buying 111 million ounces of silver.

Another sign of change is that Berkshire shed 5 percent of its stock portfolio last year, trimming stalwarts like Walt Disney, McDonald's, Wells Fargo and Freddie Mac in what Mr. Buffett in his annual letter to shareholders called part of an effort "aimed at changing our bond-stock ratio moderately" to reflect a shift in their valuations.

Rarely if ever, according to Buffett watchers, has this master of spotting undervalued, growth-oriented busi-nesses referred to the relative attractiveness of bonds and stocks.

"Though we don't attempt to predict the movements of the stock market," Mr. Buffett allowed in his letter, dated Feb. 27, "we do try, in a very rough way, to value it."

Even last winter, good value was getting hard to find, in Mr. Buffett's

view. "We are not pleased with our prospects for committing incoming funds," M1. Buffett cautioned share holders. 'Prices are high for both businesses and stocks."

For General Re's shares, however, Buffett offered a big, though not outlandish, 28.5 percent premium. And he agreed to pay with Berkshire stock even though less than four months earlier he had put a sharp pencil to all his previous stock-only acquisitions over the years and found that they had actually lost

In other words, Berkshire's spectacular performance, a 24.1 percent average compounded annual gain since 1964, would have been even better had he not done deals for stock, which in effect reduce stockholders' stakes in all of the holding company's investments.

"You can be sure that Charlie and I will be very reluctant to issue shares in the future," Mr. Buffett said, referring to Charles Minger, his long-time

Mr. Buffett has stressed the General Re transaction's attributes as a corporate marriage — the two companies presumably are worth more together than separately. But others are also impressed with its ingenuity in diluting the stock portion of his company's portfolio. That avoids both a horrendous tax bite from an outright sale of immensely appreciated stock, and the likely market havoc from "Buffett Turns Bearish!" headlines about such a sale.

#### SHORT COVER

#### Taiwan and the U.S. Sign Accord on WTO

TAIPEI (AFP) - Taiwan and the United States have signed an agreement setting conditions the country must fulfill before it enters the World Trade Organization, officials here say.

The two sides, which wrapped up five years of negotiations on Feb. 20, signed the pact in Washington on Friday, the Board of Foreign Trade said in a statement released late Saturday.

Under the accord, Taipei has agreed to gradually cut tariffs on imported hog parts to 15 percent after it joins the WTO, and will increase hog imports to 20 percent of domestic consumption. Taiwan also agreed to allow rice imports to increase to a maximum of 8 percent of consumption.

#### Microsoft Says Germany Seized Copies

UNTERSCHLEISSHEIM, Germany (Reuters) — German customs authorities seized a large number of illegally copied computer programs, preventing damages of more than 100 million Deutsche marks (\$56 million),

The authorities had seized thousands of illegal copies and detained a suspect, the company added. Some of the illegal copies had come from Britain, and been seized on the Dutch-German border. Others had been found in storehouses in the German town of Aachen.

#### **Kate Cut Sends Israeli Stocks Soaring**

TEL AVIV (AFP) - Israeli stock prices took off Sunday after the central bank cut its key lending rate by 1.5 percentage points, with shares soaring nearly 6 percent in their biggest one-day gain in 18 months.

At the end of trading, the index of 100 leading stocks was up 5.8 percent. The

Bank of Israel said Thursday that it would cut its discount rate by 1.5 points to 9.5 percent as part of a broader effort to counter an economic slowdown that has taken the unemployment rate to a five-year high.

#### Singapore Says It May Post 2d Budget Deficit

SINGAPORE (Bloomberg) - Southeast Asia's economic recession may force Singapore to run a budget deficit next year for the second year in a row, Prime Minister Goh Chok Tong said Sunday in his National Day message.

Mr. Goh, in a televised address, also said expansion of the city-state's gross domestic product had slowed to 1.6 percent in the second quarter from a year earlier, compared with an earlier government estimate of 1.9 percent.

#### Foreign Investment in Korea Rose in July

SEOUL (Bloomberg) — Foreign direct investment in South Korea rose in July for a sixth month, helping support the won.

In July, foreign investment amounted to \$1.24 billion on an approval basis, rising more than 86 percent from \$663 million a month earlier and bringing the total for the first seven months of this year to \$3.7 billion, the Finance and Economy Ministry said.

#### Viacom Denies Report It Will Bid for CBS

NEW YORK (Bloomberg) — Viacom Inc. moved to silence speculation that it may be eyeing an acquisition of CBS Corp. after a Business Week report said that Viacom was interested in the television company.

"Viacom is not interested in buying CBS," Viacom announced. Business Week, in its Aug. 17 edition, said Viacom's chairman, Sumner Redstone, and USA Networks Inc.'s chairman, Barry Diller, were interested in CBS.

### YEN: Countdown Begins for Japan to Take Decisive Action to Avert Economic Turmoil

Continued from Page 11

Zurich banker, "because they have no option."

In a similar vein, Ian Morris at HSBC Markets in London insists that "the authorities have got the tools needed to

protect against a crisis." How long the countdown has to run is anyone's guess, but clearly the clock started ticking last week when Prime Minister Keizo Obuchi flubbed his first policy speech since taking office by failing to provide key details on how he plans to attack Japan's problems. The shiver felt in financial markets around the world was that Japan would continue as usual: too little, and too late.

John Llewellyn at Lehman Brothers say that at this point world stability is a cuts and an overhand of the banking lic," Mr. Feldman adds, "suggesting markets over the coming days.

function of yen stability; that yen stability is a function of Japanese policy; and that Japanese policy seems to be driven by the United States' trying to explain to Japan's political class what

market realities are all about." Mr. Llewellyn argues that "the Japanese do react, even if to Western eyes they appear to move rather slowly." But he acknowledges that the apparent listlessness of the Japanese raises the question of whether they are really com-

"The worry is that the Japanese are doing things they are pushed into doing. and only half believe just how serious financial markets are in judging this issue," he said. "There is a fear that having done the right thing — having put up the skeleton of a solution with

implementation with the vigor markets are looking for.'

Added to market disappointment at the lack of detail about the planned 4trillion-yen (\$27.36 billion) cut in personal taxes as well as the content and timing of the proposed 10 trillion yen increase in public spending, doubts are increasing about whether the newly installed Obuchi government can survive as long as 100 days, ac-cording to Robert Feldman at Morgan Stanley in Tokyo.

Following the mid-July election, the government can count on only 106 seats in the Upper House of the Diet — well below the 127 votes needed to enact

'The new administration appears to

the face value of the transactions might

have reached \$28 billion, and bankers

involved in such sales say that estimate

is reasonable. If so, the sum is equiv-

alent to nearly one-third of the official

A typical sale works this way: A

Japanese bank assembles a giant pack-

age of many bad loans, some backed by

collateral properties, some not. The total

face value of the package may be worth

as much as a few billion dollars, but the

bank sells the package to foreign in-

vestors at a deep discount, anywhere from 5 percent to 50 percent of the total

and sell the collateralized properties

themselves because they think they can

ernment auction process or private

placements. Then they include these

unbacked loans in the package to for-

eigners free, bundling them with the

collateralized ones, just to sweep the

because a collateralized property may

risky undertaking for everyone in-

volved, in part, investors and brokers

say, because of the yakuza, the gang-

sters who control rackets involved in

squatting inproperties and small-debt collection, among other activities.

collect the rent on a new investment and

No one wants to knock on the door to

One of the most pressing questions on

That is where Miss Nishikawa comes

the mind of every investor is whether a

piece of property is somehow linked to

in. Her company copies the auction list-

ings from dog-eared postings at the

Tokyo courthouse, where real-estate

auctions are held, and she and her col-

leagues dash off to check out the prop-

erties and draw up a report for cus-

tomers looking to buy homes or

"Many people might have the image

trael 1800-941-0102

exembourg 0800-4552

have as many as 50 liens on it.

Selling loans can be a messy business

And the packaging of the bad debt is a

bad debt off the books.

find the yakuza at home.

buildings on the cheap.

get a decent return through the gov-

Some of the savvier banks first go out

face value.

accounting of unrecoverable loans.

system — the Japanese will not pursue further weakness for the yen and equity markets.

Brendan Brown at Tokyo-Mitsubishi ' International in London assumes that the Obuchi government will survive? long enough to enact its initial program and a plan to recapitalize banks that survive a thorough examination that has

But Mr. Brown also warns that the government has to be seen moving energetically to lift the economy out of its slowdown to keep a full-blown crisis

from developing.

But how much time investors are willing to give the government to follow through on its commitments — given its history of underestimating the size of its problems and misjudging investors' willingness to wait for a solution — is an stion that is certain to

#### **BOOKS**

ASIAN CRISIS IN MICROCOSM — Ahmad Hussin, 70, bottling

honey Sunday in Kuala Lumpur. Mr. Ahmad's volume has dropped

THE MOST WANTED

By Jacquelyn Mischard. 407 pages. \$24.95. Viking.

Reviewed by Rachel Hartigan W HEN you grow up with all kinds of love from your blood kin," says

Arlington (Arley) Mowbray, the grace-ful narrator of "The Most Wanted," "maybe you don't have that desperate hope for someone out there waiting who can make up for all the things blood never brought you." Arley, 14, does have that desperate hope and it's pinned on Dillon Thomas LeGrande, a 25-yearold imprisoned gas station robber.

Jacquelyn Mitchard's second novel is not a surmounting-all-obstacles kind of love story — although Arley does leap hurdles for the high school track team. Sure, the elements are there. The lovers voo each other with letters and poems; they meet only twice, the second time to get married. Dillon tells Arley, and she believes him, that he's no criminal, just a guy without luck; he breaks out of jail just before she has his baby and tracks her down, all the while engaging in a charming crime spree. It's the stuff of TV movies. But it's not the main stuff of this entertaining novel.

For the true romance in "The Most Wanted" isn't between Arley and Dillon but between Arley and Annie chick-book stamp of approval: Her first singer, the brassy lawyer who becomes novel, "The Deep End of the Ocean," Arley's mother hen. Annie and Arley meet when Arley appears at a legal support center pleading for help to get a conjugal visit with her new husband. love, that are familiar to Barbara King-

From the first moment Annie spots Arley playing with her hair in the lobby, Annie feels "a person-to-person call, a near-biological obligation." Despite her misgivings about abetting sex between a ninth-grader and a convicted felon -"We were talking about a 14-year-old here, a girl who still considered songs on the radio renditions of her real feelings"

- Annie takes the case and gets Arley her wedding night. It is an inauspicious beginning for a maternal relationship, but it eventually leads to a happy ending for everyone, except Dillon of course. After all, he is

Annie's legal support center is called Women and Children First, which would be an apt title for this novel. She claims that "from what I'd seen, for the love of a man, plenty of women would cut up their best friends and sell them for body parts." Not Annie and Arley. Although they go on incessantly about their man trouble, it's their fierce feelings for each other and later Arley's love for her baby daughter that are at the heart of the story. "I sometimes can't imagine," says Arley, "why all the songs musicians write are about love between women and men instead of love for a

child by the grown-ups in her family." Is this a chick book? Jacquelyn Mitchard certainly bears the ultimate inaugurated Oprah's book club. Her second contains a lot of the staples, besides the above-mentioned maternal

**BRIDGE** 

solver readers. The men fall neatly into three categories: sexy and bad; sexy, good and very supportive, and cerebral and out of the picture. A girl (Arley) rises above hillbilly roots to a place where she can make her own choices, while a smart, professional woman (Annie) gets in touch with her feminine side. Then throw in a wisecracking friend or two. Yet Mitchard artfully avoids the worst

cliches by telling a good tale and doing it in smooth, conversational language that doesn't trip the reader up. Unfortunately, the narrative flow is marred by a recordbreaking amount of second-guessing and heavy-handed foreshadowing. Ariey wonders if her life would have been different if she hadn't started working at Taco Haven or gone to her friend Eric's disastrons party. Most people wonder what path their lives would have taken if they hadn't turned the corner at that precise second or if they'd ordered Chinese takeout rather than pizza on that fateful night. When Mitchard uses such musings as foreshadowing, she raises her audience's expectations dangerously high. Arley moves into an isolated cabin to escape Dillon, and Annie ominously says: "I never would have suspected secrets." But there aren't any secrets, at least none that affect the anticlimactic denouement.

But set that aside: "The Most Wanted" is a beach-blanket read that won't leave the reader feeling cheap, sullied or illiterate - and that's something.

Rachel Hartigan, a Washington writer and editor, wrote this for The Washington Post.

#### JAPAN: Foreigners Invest in Real Estate

Continued from Page 1

Already, over the last 18 months, many foreign companies have flooded into the business of combing the baddebt market and bidding up prices for the depressed land. So far, however, the profits and the number of transactions have been limited and they seem not to

have done as well as expected. But whether or not the foreign companies make any money, their activity could still help rescue Japan's troubled economy as they create a new business: wrapping up the bad debt into a tradable security

Optimists like Mr. Rodman note that the method is similar to the way the United States extricated itself from the savings and loan debacle of the 1980s. But it is far from clear whether the olan will work as well in Japan as it did

in the United States. For starters, Japan's bad loans are worse than the United States' bad loans were. Japan also is dependent for buyers not on local people — who generally have not touched the stuff — but on the fickle appetites of foreigners, mostly Americans.

After Japan's bubble economy, which had been built on inflated realestate values, burst in 1990, banks and property owners hung onto bad loans even as prices fell. The entire property market congealed and banks became stuck with bad assets. But they often did not demand repayment for fear of put-

ting clients into bankruptcy.
"It's a freezing situation that was comfortable to both" the banks and their borrowers, said Kiichi Miyazawa, who was appointed finance minister in July and is a former prime minister. Mr. Miyazawa added, however, that Japan was beginning to address the financial

Properties in Japan have lost up to 90 percent of their value in some locations, so Japanese banks have been reluctant to sell collateral at cut-rate prices and lock in huge losses or to turn their backs on long-time clients.

"We're pushing the banks," said Yasuhisa Shiozaki, who resigned recently as parliamentary vice finance minister. "There should be a variety of ways of resolving the bad debt, and the largest part should be through sales, bulk sales or singles sales — straight sales to the market."

Japanese banks have been selling collateralized properties at public auctions and private sales, already removing billions of dollars' worth of bad loans from their balance sheets.

Nihon Keizai Shimbun, Japan's lead-

#### Obuchi to Hasten **Laws on Economy**

Rewers

TOKYO — Prime Minister Keizo Obuchi said Sunday he was willing to compromise with opposition parties to ensure swift passage through Parliament of urgently needed bills to revive

Japan's economy. Parliament begins debating the bills on Monday, but their passage could be stalled if opposition parties unite to present alternative bills.

Japanese financial markets have been on edge waiting for the government to take swift action to clean up a banking system so hobbled by problem loans that Japan has become a possible target for a downgrading by international

ratings agencies.
"We need to pass the legislation as quickly as possible by reaching some sort of compromise with op-position parties," Mr. Obuchi said. The ruling party's bills call for a "bridge bank" the government the government would use to take over failed banks and maintain credit to healthy borrowers until a commercial bank willing to take them over is found.

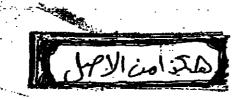
that this kind of property is involved in the cleanup of unhappy problems," said Takami Toriya, a board director at Tokyo Auction Forum Co., which brokers properties sold at the government's auction. "But there are good properties at any auction. We opened this place in central Tokyo to try to remove this dark, dangerous and fear-some image."

The problem arises because compa-: nies that own real estate with bubblesized loans sometimes pay for the yakuza or other gangsters to squat on the property on the theory that they will dissuade the bank from foreclosing and make the property impossible to sell, according to experts in Japanese real.

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Bridge League's Summer Nationals ended in Chicago at the end of July in a convincing victory for a California squad. Fred Hamilton of Fresno, Mark Itabashi of Murrieta, Gene Simpson of by a team from the Chicago Murrieta, Gene Simpson of Redlands, Jon Wittes of area: Jerzy Jelen, Marek Da-queen. He then cashed the Claremont and Ross Grabel lecki, Ted Ryll, Zbigniew spade ace and finessed the of Huntington won the Grand Muszynski, Romnald Mindak heart seven. Then he drew the of Huntington won the Grand National Team Champion- and Wieslaw Kalita ship, which began at the cight grass-roots level They won the final by 61 sented by Malcolm Brach- two-bid in diamonds. Even In the replay, the contract Pass sence by Marconn Black looking at the four hands, there was six no trump, which had man, Mike Passell and John looking at the four hands, there

By Alan Truscott

Bobby Goldman of Highland Village, and Eddie Wold of HE first major event at

The Flight B Grand Nationthe American Contract al Team was won by Quebec mond lead with dummy's ace, City, represented by Robert cashed the king and ace of Lamipoe, Jocelyn Bernier, Lamlipoe, Jocelyn Bernier, Richard Wildi, Jacques Carel. René Pelletier and Hervé Chatagnier. Flight C was won dummy's king, and ruffed the  $\nabla 8643$  by a team from the Chicago remaining club with the heart  $\phi$  so team from the Chicago remaining club with the heart  $\phi$  so team from the Chicago remaining club with the heart  $\phi$  so team from the Chicago remaining club with the heart  $\phi$  so team from the Chicago remaining club with the heart  $\phi$  so that the chicago remaining club with the heart  $\phi$  so the chicago remaining club with the heart  $\phi$  so the chicag

The best play in the Grand

tricks. But after two minutes' gained 17 imps, winning thought, Goldman solved the the battle but losing the war. problem.

He won the opening diathe heart 10. He then led the heart jack, overtook with remaining trumps, throwing a spade and a diamond from his National Team final was in a hand. Finally he led a dialosing cause. Goldman as mond from dummy, and the South landed in six hearts after diamond king was the only East had opened with a weak trick for the defense.

Sutherlin, all of Dallas; is no obvious way to make 12 no chance. The Texas team

EAST (D) **◆** O J 10 6 5 4 Q 10 8 3 SOUTH ♥QJ102 •Q732 **♦K**J Both sides were vulnerable 2 N.T. Pass 3 ♥ Pass

VAK87

ing economic newspaper, estimated that

#### NASDAQ NATIONAL MARKET

Consolidated prices for all shares

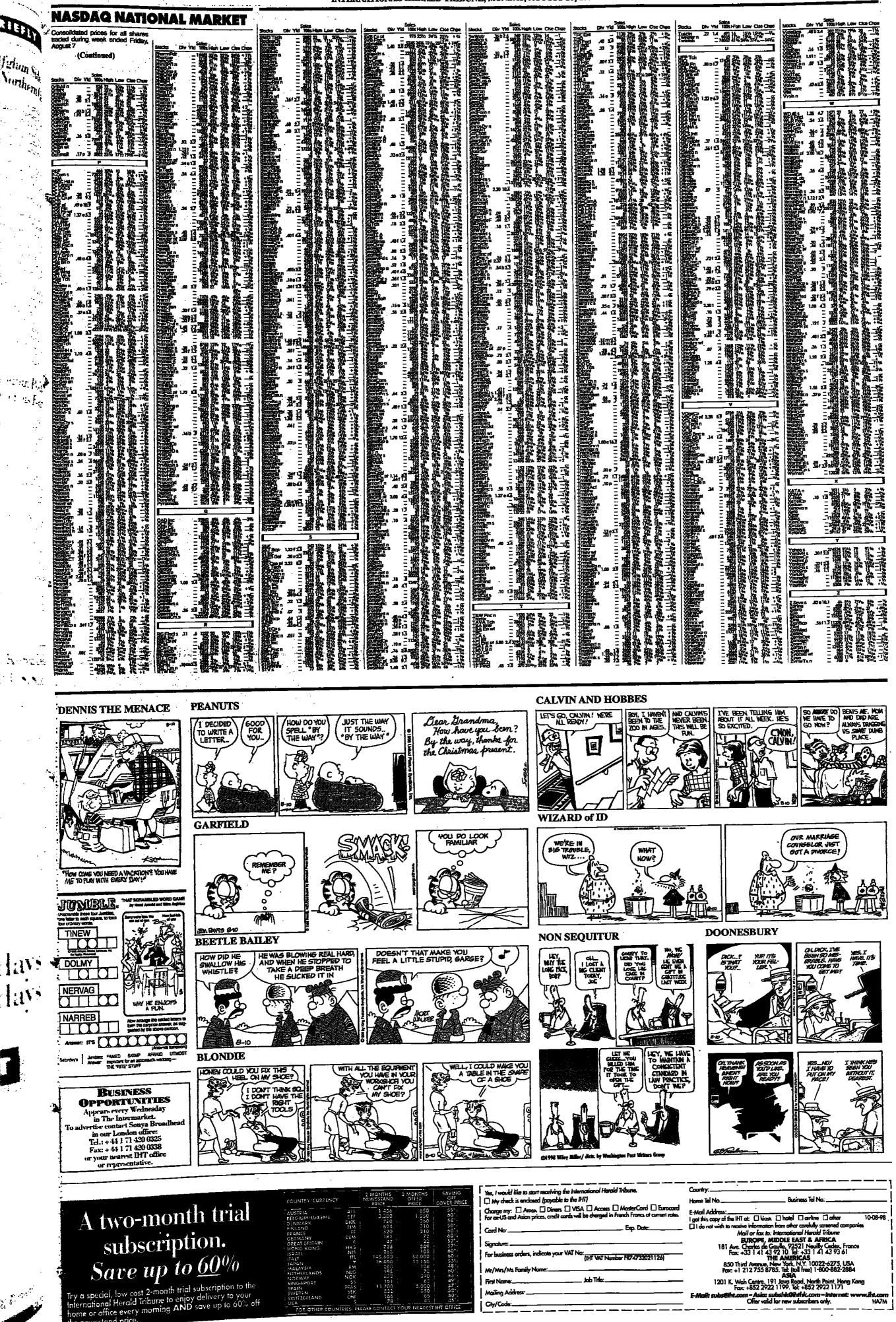
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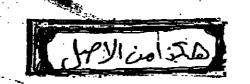
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ST. LOUIS — On a day when Mark McGwire and Sammy Sosa both homered, Ray Lankford was the

unlikely hitting star. After striking out in his first five atbats, Lankford hit a two-run homer in the 11th inning and a single in the 13th inning to lift the St. Louis Cardinals to a 9-8 victory over the Chicago Cubs.

With the bases loaded and no outs in the 13th, the Cubs moved centerfielder Lance Johnson in as an extra infielder, but Lankford grounded a off the fourth to end his longest home single off Dave Stevens (1-2) through the right side to score Pat Kelly.

Bobby Witt (2-3), the eighth Cardinals pitcher, then got three outs for

the victory. Sosa hit a two-run homer in the top

of the ninth, his 44th, off reliever Rich Croushore to erase a 5-3 St. Louis lead and set the stage for extra innings, where the Cubs twice took leads only to have closer Rod Beck

blow them by allowing Lankford's season-high 20-hit outburst as Athomer in the 11th and a solo shot to lanta routed San Francisco. lanta routed In the American League Eli Marrero in the 12th.

"It's one of the greatest games I've ever been associated with," Cubs manager Jim Riggleman said. "They thought they had it and we came back. We thought we had it and they

McGwire hit his 46th homer leading

#### Baseball Roundup

run drought this season at 29 at-bats.
"Why is everybody so worried about this?" McGwire asked. "There are more important things to worry about than Mark McGwire hit-

ting home runs. Let's talk about the cisco, Keith Lockhart, Andres Galar-

Braves 14, Giants 6 In San Franraga, Javy Lopez, Andruw Jones and

> Dennis Reyes won his second consecutive start as Cincinnati provided an encore to its 17-0 victory over Reyes (2-4) allowed three hits and

The five homers pushed Atlanta's

National League-leading total to 161. Kevin Millwood (13-6) allowed five

cluding a pair of run-scoring doubles, and Ozzie Guillen, Ryan Klesko and

Lockhart each had three hits for the

hit a two-run home run and Armando

Reynoso scattered 10 hits in seven

innings against his former team as

streak to 22 games for the Mets.

struck out two and walked three.

John Olerud went 2-for-4 to improve his league-leading batting average to .346 and extend his hitting

New York won in Denver.

Mets 4, Rockies 3 Edgardo Alfonzo

five walks in 6% innings, helping the Reds to their first consecutive shutouts since May 25-27, 1992, against the New York Mets.

Expos 5, Diamondhacks 3 In Montreal, Shane Andrews homered for the second game in a row and Dustin Hermanson pitched seven solid innings as the Expos won.

Astros 7, Phillies 6 In Houston, Scott Rolen's error allowed the tying run to score, and Mark Leiter hit Richard Hidalgo with a pitch to force in the winning run as the Houston scored twice in the ninth to beat Phil-

Dodgers 2, Pirates 1 In Los Angeles, Eric Young hit a run-scoring single with one out in the ninth inning to cap a two-run rally as Los Angeles beat Pittsburgh.

Los Angeles spoiled a strong

pitching performance by Jon Lieber, who left after allowing Eric Karros's

In the American League

Yankees 14, Royals 1 Jorge Posada drove in six runs and Scott Brosius capped a six-run sixth inning with a hits over six innings, giving up five runs after being staked to a 10-0 lead. Michael Tucker had four hits, inthree-run homer to lift Orlando Hernandez and New York to victory over visiting Kansas City.
The Yankees have outscored the

Royals, 36-6, in the first three games of this series and have scored 71 runs in their last seven games as they have pushed their season record to 54 games over .500.

Mariners 9, Tigers 3 Russ Davis hit two homers and Alex Rodriguez con-tinued his torrid hitting at Tiger Sta-

dium as Seattle won in Detroit.

Rob Ducey and Edgar Martinez also homered for the Mariners, who have won three straight and five of The Mets starter Reynoso (3-0), the second all-time winningest pitchtheir last six. Detroit has lost five straight and nine of 11.

Ken Griffey Jr. went 1-for-5 with a run-scoring RBI single as the deser for Colorado, allowed three runs, ignated hitter but went homerless for Rods 4, Brewers 0 In Cincinnati, the eighth straight game.

Blue Jays 6, Athletics 5 Mark Dalesandro hit a bases-loaded, one-out infield single in the 10th to push Toronto past visiting Oakland. White Sox 7, Angels 5; White Sox 4,

Angels 3 In Chicago, Mike Cameron led off the ninth inning with a home run to complete Chicago's double-

In the first game, Albert Belle hit a two-run double and scored on Robin Ventura's double in a six-run third.

Indians 6, Devil Rays 2 In Saint Petersburg, Charles Nagy pitched three-hit ball for eight innings and Brian Giles hit a solo homer in Cleveland's victory over Tampa Bay.

Orioles 6, Twins 3 In Minneapolis,
Baltimore's Rafael Palmeiro hit a

three-run homer, his 35th of the season, and Brady Anderson added a two-run shot as Minnesota lost its seventh straight

Red Sex 11, Rangers 1 Darren Bragg was 4-for-6 with two homers and Tim Wakefield (14-5) pitched eight strong innings as visiting Boston snapped Texas's six-game winning streak.

Pete Rose stood and

cheered the son who had run

on the field and hugged him

That day passed into Cin-cinnati lore, and Rose Jr. drif-

ted out of the town in which

he grew up. He had 14 at-bats

for the Reds, fanned nine

times, hit two singles and has

said he was mystified, even

bitter, that he did not get more

of a chance because just now

he believes he has learned

for the time he had there," Beauchamp said, glancing at a photo on his desk of his

father in a Mets uniform,

where Jim Beauchamp

Instead, he is left to con-

template what Gillick told his

dad. He is left to think, "If

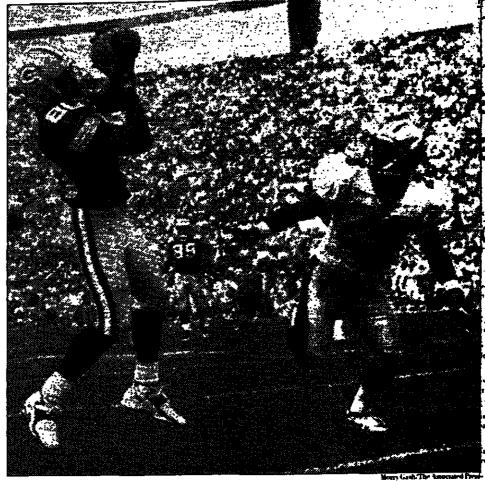
only I had known, I would

have slid into home."

But he got a chance.

how to hit.

Yogi Berra.



Packers' Derrick Mayes hauling in a pass in front of Saints' Mickey Washington.

### **Manning Throws a TD** For Starters, but That's It

Seattle Backup Outshines Him to Beat Colts, 24-21-

Peyton Manning's first National Football League pass went for a touchdown, but after that the rookie quarterback was outplayed by Seattle's backup, Jon Kima, as the Seahawks beat the Colts, 24-21, in Seattle.

After four handoffs to Marshall Faulk on his first series Saturday, Manning, the first pick in this year's draft, threw a 48-yard

touchdown pass to Marvin Harrison.

Manning finished 8-of-15 for 113 yards. Kitna, who played four series, completed 9 of 13 passes for 92 yards, including a 25-yard

#### NFL Preseason

Beauchamp looks nothing Beauchamp was hitting .330 had given him for his first touchdown pass to Mike Pritchard in the first quarter that put Seattle ahead to stay, 10-7. Kitna, the third-year Seahawk quarterback. earns the league minimum of \$216,000 - a

pittance compared with Manning's record \$11.6 million signing bonus. "Ineed to play a little bit better," Manning admitted. "A-couple of times, I didn't finish up some throws. We didn't move the ball very well."

The Seahawks played their second game without Warren Moon, the No. 1 Seattle quarterback, who has refused to report to the team's training camp in a contract holdout.

Chargers 27, 49ers 21 Rvan Leaf, the No. 2 pick in this year's draft, came out poised and led two scoring drives for the Chargers — capping one with an impressive 3-yard touchdown pass to Bryan Still in San Diego.

Leaf, 14-of-20 for 116 yards, had a more productive night than Steve Young. The San Francisco quarterback threw just seven passes, completing three for 20 yards, and was sacked once.

Dolphins 19, Redissins 16 Olinde Mare, who "I would trade my 13 years has no competition in the Dolphins training camp, made field goals of 27, 45, 50 and 46 yards in Miami's 19-16 victory in Washington on Saturday night.

One of Mare's kicks capped a strong, where Jim Beauchamp game-opening, 70-yard drive by the Dan played, oddly enough, for Marino-led first team that took 9:37 off the clock.

Steelers 24, Bills 13 In Pittsburgh, Jahine Arnold, not assured of making Pittsburgh's season-opening roster, set up the Steelers' first three scores with two long kickoff returns and a reception.

The rookie quarterback Pete Gonzalez was 6-for-11 for 116 yards and a touchdown for Pittsburgh.

Buffalo's Rob Johnson, acquired from Jacksonville during the offseason, played the entire first half and was 8-of-13 for 75

19, Boars 14 Jim Harbaugh directed two scoring drives in his Baltimore debut as the Ravens inaugurated their lavish new sta-

A sellout crowd of 65,938 showed up for the grand opening of the yet-to-be-named \$220 million stadium adjacent to Oriole Park at Camden Yards.

Carolina, John Kasay, who kicked field goals of 38, 24, 27 and 29 yards in the first half, hit his fifth in as many attempts, a 30-yarder with four seconds left, for the victory. Kerry Collins, the Carolina quarterback; was 16-of-22 for 162 yards and was not

intercepted The lone touchdown pass, a 3-yard toss to Muhsin Muhammad, helped the Panthers to a 19-10 halftime lead. Broncos 20, Rams 13 With John Elway in

Minnesota with his ailing wife, the backup quarterback Bubby Brister started for Denver in St. Louis and produced 13 first-half points. Brister was 13-for-22 for 181 yards and a touchdown, and he helped set up two field goals by Jason Elam.

Packers 31, Saints 7 Travis Jervey rushed nine times for 100 yards and two touchdowns as Green Bay beat visiting New Orleans. Jervey has rushed 14 times for 172 yards

during the preseason, an average of more than 12 yards a carry. Giants 24, Bengals 17 Phillippi Sparks forced a fumble and had an interception, and

New York converted four turnovers into 24 points in the first football game played on a grass field at Giants Stadium. Chiefs 17, Successers 13 in Norman, Okla-

homa, Kansas City receiver Chris Ortiz recovered a Tampa Bay fumble in the end zone with 44 seconds left to give the Chiefs a wild victory in the first exhibition game at the University of Oklahoma since 1976.

of-11 for 128 yards and one touchdown in onequarter as he helped make Jon Gruden's Oakland coaching debut a success in Texas.

# A Tale of 2 Minor-Leaguers, One Named Rose

By Harvey Araton

Rose Jr., famous son with a bulked-up body and a prefab burden, came to New Jersey, there is not much difference the Northeast League, where between father and son. the only at-bats were.

"I'll swallow my pride." Rose had said last week after vet another baseball organi-miliar bulldog faces. But by most accounts, baseball's cazation — this time the Pittsburgh Pirates — handed him ished nearly nine years ago his minor league walking pa-pers, and he hustled off to find any base he could call home.

The manager of Rose's newest team, the independent New Jersey Jackals, asked that reporters not harshly judge the silent man who has had to tell his story in too many minor league towns, too many places where the mere introduction of his name was an indictment of his being there.
"He's been through a lot,

manager Kash Beauchamp said Friday night, before Rose second-inning triple and sent Beauchamp's Jackals on their Elmira Pioneers at Yogi Berra Stadium. It is a little field tucked into the campus not far from two major league

But, as Beauchamp and any New Jersey commuter tween here and there is often

ACROSS

s "Spare" karna at a barbecue

6 Popular athletic

10 Bullets and such

14 Meiville tale

rs Beade with a

16 Marry a Seattle

17 Classic pickup

Seven Nights' co-star

21 Early right, to 2

krie ≢1

20 "Six Days

'They'll have to tear the Other than 4,254 major league

Mark McGwire connecting for his 46th home run of the season.

with stocky builds, and fareer hit king, who was banfor gambling, hardly knows the man he and his ex-wife

once called Petey. For having his father's name, but not his attention, as he struggled to make it on his own, sympathy for Pete Rose Jr. comes easily enough. But the fact of the matter is that vived six years in Class A ball. often not hitting their weight.

The reality is that lineage was as much a factor in Rose's career-defining moment as his surprising 25 home runs last season in Class

If baseball ended tomorway to a 9-6 victory over the row for the 28-year-old Rose, which it most certainly will not, he would at least walk "It was a tough act to folaway with the memory of low," he said "I was Rose Jr. up on Sept. 1, Labor of Montclair State University, having made his father come nowhere that good. I felt pres- Day, and put him at third base Beauchamp's own enduring through." could tell Rose, the traffic be- retrospection, interestingly, is the fateful night that he but there was more to his own into the dirt. brutal. The trip could take bowled over the catcher, a la story to tell. Despite three sur-

uniform off him." said Jackals like the thick-bodied Rose Jr., at Class AAA Syracuse in major league swings. He coach Hank Manning of Rose. who now packs more than 1986, when he tried one night struck out, retired his father's ITTLE FALLS. New a good friend made during his Jersey — He came not own tour of Minor League into his 6-foot-1-inch (1.85—to talk, only to hit. Pete America. The message was: meter) frame.

200 pounds (91 kilograms) to score from second base. bat, and with a Barry Larkin The catcher was Pat Demodel bounced a single off mpsey, brother of Rick, the the first baseman's glove in The 35-year-old manager,

hits, we should understand tall and rangy, could still pass. Beauchamp went the macho for the major league center fielder he was supposed to straight through the catcher. They are stubborn souls, become when he was the first Forearms were up. He felt when he broke Ty Cobb's repick of baseball's winter draft something in his shoulder cord in 1985. Puckett — by the Toronto Blue Jays 17 years ago.

He grew up in Grove, Oklahoma, a short drive from Commerce, in Mickey Mantle country.

Beauchamp, was a major league ballplayer, a reputed tough out, even a onetime member of the Cincinnati Reds, who gave his son a beplayers with less celebrated fitting name for the financial names would not have sur- scores that awaited his generation's players.

Instead, Kash became Crash, the "Bull Durham" film character, the minor

into his lineup card, playing season. first base, batting third.

to Cincinnati's Cinergy Field sure, unbelievable pressure. in a game against the Kansas last September, to watch him Just magnify it by 100 times, City Royals. hit in a major league game. that's what he's going

mpsey, brother of Rick, the the first baseman's glove in leaguer. his second time up. former big route, made famous by Rose, - two slots ahead of Kirby snap. It was a bone, and his dream was gone.

His father would eventually tell him that Pat Gillick, the Blue Jays' general man-ager, confided that Kash Beauchamp was, at that time, no more than three days from being brought to the majors to platoon with Lloyd Moseby in center field.

"I wish my dad had never told me that," he said, his eyes narrowing. For a moment, the emotional wound was more no-

ticeable than a three-inch scar on the upper left side of his back\_

league lifer.

Beauchamp spent 13 years
in the minors and never got so athlete to ever come out of my much as a sip from the cup of town," Beauchamp said in coffee that his new first basehis office before writing Rose man drank in Cincinnati last

Under heavy local pres-

Rose trotted out and, as he irough."
did every night, scrawled his
He was referring to Rose, father's hit total — 4,256 —

As he always said he

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geries on his left shoulder, would, he used a bat his father

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LEEDS, England - The decisive fifth test between England and South Africa hing in the balance Sunday at the Lad of an enthralling penultimate day at

Headingley.
:South Africa needs 34 runs to win while England seeks just two wickets to secure its first victory in a five-match

series in England since 1987. Chasing 219 to win, South Africa was 185 for eight wickets in its second innings at the close. Shann Pollock, on 24, and Alian Donald, on two, were the not

In the morning, England was bowled out for 240 in its second innings, having started the day on 206 for four as Donald aid Pollock removed the last five bats-men for 34. Both finished with five

The remainder of England's second innings was swept aside in just 84 minutes as they lost six wickets in 115 bills, including three wickets for just one run at the start of play. England's Nasser Hussain was dismissed six short

When South Africa batted, wickets continued to fall and the tourists slipped to 12 for four wickets and then 27 for five. Jonty Rhodes rescued his team



Darren Gough of England, left, taking the wicket of Daryll Cullinan of South Africa in the deciding test Sunday.

with a brilliant 85, putting on 117 with Brian MacMillan (54) for the sixth

Darren Gough, the England fast bowler, removed opener Gerhardus

Liebenberg for six. Gary Kirsten was caught by Mike Atherton off Gough having scored three

Jacques Kallis was out failing to

score and was quickly followed by captain Hansie Cronje who was also out without scoring. Daryll Cullinan was then out for no score before Rhodes and MacMillan fought back.

# After Short Pause, Soccer Resumes for Long Run

E HAVRE, France - As summer returned to France, so did the

winter sport.
The stage had barely been cleared after the great opera of the World Cup before the soap opera of the domestic league resumed. The actors had better be prepared for a long run.

On Sunday, on a boiling day in Lon-don, Arsenal trounced Manchester United, 3-0, in the Charity Shield, the match that signals the start of the season for the top English clubs. The day before, the divisions below the English Premier League had begun their season.

In France, the land of the World Champion, the season kicked off Friday with an uneventful 0-0 draw between Le Havre and Metz, the league runner-up last year. The high point came midway through the second half when the lawn sprinklers behind one goal-line leapt suddenly to life, firing jets of water across the penalty area. The match was

stopped while they were turned off. It was a game that would have tried seemed the perfect, somnolent entertainment for a glorious summer even- will stretch the season into June. ing. It also provided a welcome anthe strange atmosphere at the Stade de eight-team Confederation Cup at high wasn't trying. France, which drew complaints even altitude. This meaningless tournament On the evid

from the host team. This was real soccer watched by real you'd expect fans to jeer, they knew the world game. Brazil, which seems to lations, grabbed the top two places, not want to see.

France, and their numbers are growing.

The Metz squad largely escaped the demands of the World Cup, yet it start
demands of the World Cup, yet it start
Under pressure from the bi

 ${\it Vantage Point/Peter Berlin}$ 

Cup player was on display — Danny Boffin, an industrious Belgian midfielder for Metz — the crowd was 13,000, an increase on last season's average at Le Havre.

seats were empty as Arsenal, the reign- six extra matches in the Champions ing English champion, met Manchester League in the autumn. It is, on last United, the best-supported team in Eng-United, the best-supported team in England. Even the presence of two World era and Emmanuel Petit — and 11 other World Cup players, including Jaap Stam, the most expensive defender in the world, could not fill the ground.

more than enough other opportunities to see these players. Both Charity Shield teams — like Metz — face a full Shield teams — like Metz — face a full Champions League final and repeating league season stretching into May, two as Italian champions, though with much domestic cup competitions, the European Champions League and qualifythe patience on a cold winter night, but ing matches for their national teams in the European Champiouship, which

The French national team will also

do so again in the afterglow of the able because of injuries. The season World Cup. Although only one World will test the resilience of its players to the fullest. On Wednesday in Helsinki it plays in the first leg of a two-match ielder for Metz — the crowd was 3,000, an increase on last season's League. Manchester United, the English runner up, must play LKS Lodz.

At Wembley, however, nearly 15,000

land. Even the presence of two World
Cup winning Frenchmen — Patrick Viera and Emmanuel Petit — and 11 other
World Cup players, including Jaap
World Cup players, including Jaap
Stam, the most expensive defender in their domestic leagues than the season of a hamstring injury The English fans know there will be before, many significantly lower. Ju-ore than enough other opportunities ventus matched their performance both at home and in Europe, losing the

THE ONLY one of the 13 to do poorly in the Champions League that it houses against even the weakest teams ote to the hype of the World Cup and fly to Mexico in January to play the is difficult to avoid the suspicton that it in their national leagues but cannot fill

On the evidence of last season, the biggest European names. extra cash from the Champions League These matches are live on television. provides FIFA, the governing body of extra cash from the Champions League

pean socceer, seems to favor adding four more games for each participant. But rather than cement the dominance of teams like Manchester United, Real Madrid, or Bayern Munich, the extra game may well undermine their ability to compete. Smaller clubs should welcome such a development.

"We have so many games to play," said Arsene Wenger, the Arsenal coach after the Charity Shield on Sunday. "I'm a little bit concerned because in England there is no break in the winter, and with our being involved in so many competitions, we will have to be very

cautious." During the game Dennis Bergkamp, the Dutch World Cup star who plays for Arsenal, limped off with a recurrence

'We need a striker because we are short in numbers if something happens to Nicolas or Dennis," Wenger said. So clubs must spend the Champions League revenue before they even play a match.

Barcelona and Juventus also provide the most striking example of the decreasing popularity of the Champions better in its national league was Cup since it was turned into the Cham-Barcelona, and it played so pions League. Both teams play to full their stadiums for matches against the

world soccer, with another tournament for the big clubs does not cancel out the but so are many of both teams' league fans. They cheered when you would to run while the World Cup is in abey- handicap of the extra games. In France, games. It does seem strange to want to expect fans to cheer, they jeered when ance, while further draining the stars of Lens and Metz, traditional poor re-expand a competition that the fans do

more than one song and they did not do be taking part in some cruel experiment while Monaco, a team stacked with to see how many matches top soccer future French World Cuppers, and just a three-week break, Petit and Vi-It is also unfair to the players. After The World Cup may not have shown stars can play in a year before dropping wealthy Paris Saint-Germain, exera, for example, can expect to play 60 it, but there are real soccer fans in dead, will, of course, be there. remain healthy. No wonder Metz and The French league set attendance records last season and will presumably ed the season with four men unavail
Under pressure from the big clubs, Le Havre appeared to be pacing themtendance records last season and will presumably ed the season with four men unavail
Under pressure from the big clubs, below on Friday.

# How Smith Was Tested **Opens Many Questions**

Did FINA Jump to Conclusions on Sample?

By Ira Berkow New York Times Service

NEW YORK — Last Jan. 10, Michelle Smith-De Bruin, the 1996 three-time Olympic gold-medal winner from Ireland, heard a knock at the front door of her home in Rathcoole, a village just outside of Dublin. She opened the door to discover an Irish couple, Al and Kay Guy, who politely requested to get a beaker of, well, Smith's urine.

They were drug-sample collectors employed by FINA, the international governing body of swimming, and they were making a random urine test of

VANTAGE POINT

Smith, as previously agreed upon by the organizing committee and the swimmer. The test was to determine whether there were any banned drugs in her body, the better to swim faster and stronger and against the international rules

The couple were made to wait a half an hour at the door, according to Phil Whitten, the editor in chief of Swimming World, often called the newspaper of record for the sport.

They were then allowed to enter the home, whereupon Smith adjourned to the bathroom with Kay Guy, whose job was to observe Smith, who reportedly was wearing a bulky sweater, do her little

business for the sports organization. When completed, Kay Guy poured the contents of her beaker into two vials, marked one "A" and one "B," sealed them carefully with tape, placed them in a Ziplock bag and then into a black leather pouch, sealed this, and sent it off by express mail to a laboratory in Barcelona, that handles such items for FINA. The two vials were separated there. When Vial A was tested in January, it showed that something strange was in this supposed urine sample of Smith's, according to FINA, something

with "a very strong whiskey odor."
Vial B was tested in May and showed

the same odd quality.

Forthwith, it was determined that Smith's test samples contained a degree of alcohol so large that it could not have been ingested by a human without the person's dropping dead. FINA decided, and not unreasonably,

that something was fishy. And what was piscatorial was Smith, who had been suspected of taking drugs to enhance performance in the past, although she was tested with all the other athletes in the Atlanta Games after her victories in the 200-meter and the 400-meter individual medleys and the 400-meter freestyle and found to be, by the standards of the tests, clean.

Not now, though. On Thursday, FINA banned Smith from competition for four years, which would eliminate her from the 2000 Olympics in Sydney, and in the world championships. This would presumably eliminate her from any further Olympic competition since

past a swimmer's prime. And on what grounds did FINA base its punishment? On the following, as issued in a news release:

• The urine sample was manipulated. • The urine sample was not manipulated in the laboratory.

• The urine sample was not manipulated in transport. The urine was not manipulated by

the collectors of the sample. The urine sample was manipulated by the swimmer.

#### Drugs Widely Used, Soccer Coaches Say

Zdenek Zeman, the coach of AS Roma, has repeated allegations that performance-enhancing drugs are widely used in Serie A, the top

Italian soccer division.

After Zeman's latest remarks were published in a magazine, the anti-doping committee of Italy's Olympic Committee said it was moving up a hearing with Zeman to Tuesday.

"The developments in the case and the new statements by Mr. Ze-

man have made the meeting urgent and indispensable," the committee

said in a statement Saturday. The English Football Association said Sunday that it would step up its drug testing program. The move followed the publication in a Sunday newspaper of part of a book by Ron Atkinson, the former coach of Manchester United, Aston Villa and Sheffield Wednesday. Atkinson wrote that cocaine and cannabis are widely used in the English Premier (Reuters, AFP)

• The means of manipulation is un-

This is a remarkable conclusion. What FINA is saying is that it has no doubt that the sample was not manipulated in the lab, by the postal workers or by the collectors themselves. How does FINA know that? Have all of those in the chain of custody been questioned thoroughly? FINA has given no information to back up its statement.

But even more stunning is FINA's unequivocal assertion that she did it, but

the group does not know how.
Why doesn't FINA know? Wasn't its own collector on the scene at the moment of urination and for the transfer of evidence from beaker to vials? If the collector, whom swimming officials surely questioned, does not know, how do the chiefs of FINA, sitting in their offices in the International Olympic Committee headquarters in Lausanne, Switzerland, know?

There are assumptions, based on previously known cases of manipulation. Some cheating female athletes have inserted a catheter in their bladder with someone else's urine, or have filled a condom or balloon with urine, placed it in their vagina and then broken it, usually by squeezing their legs together or bursting it with a pin.

Given the short time that Smith had to do something - if in fact she did do something - then it was conceivably the latter that was her deception of choice. And if she was going to, in a state of she would be 34 years old by 2004, well she would grab whatever liquid was quickly available, and whiskey looks more like urine than, say, milk or cocoa.

Smith, who is appealing the decision, and her legal counsel say FINA is out to get her and to prove that the federation was right in its original assumptions about her. Whitten, of Swimming World, wonders if Kay Guy was not too modest to closely watch Smith urinate. If so, FINA erred in not sending a more

dogged or more seasoned collector. FINA should sharpen its drug-testing procedures, stand Smith to a pint of Guinness and allow her back in the pool.

#### SCOREBOARD

Rapp. Syrick (6), Pithley (7) and Mi.Sweeney: Cone, Stanton (7), Borowsid (9) and Gland, W.—Cone. 16-4. L.—Rapp. 9-11. HRs.—Kansas City, Domon (13). New York.

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Jatte A. Kinteley )

CENTRAL LEAGUE

Orix 6. Dalel 4 Nippon Hom vs. Selbu, ppd., rota

Unitled States 84, Greece 61

SAN SEBASTIAN CLASSIC

BASKETBALL WORLD CHAMPIONSHIPS

11TH PLACE

STIL PLACE Yugostavia 70, Amenting 62 Yugoslavia 78, Greece 73, OT

CRICKET SOUTH AFRICA VS. ENGLAND FIFTH AND FOLAL TRET. 41H DAY SUNDAY, RY LEEDS, ENGLAND England: 230 and 249

h Africa: 252 and 185-8 CYCLING

Leading results from the San Sebastia Classic World Cup race over 232 km, starting and finishing in Sen Sebastian on Sebastian Argentina 68, Romania 22 hours 43 minutes 45 seconds; 2. Axel Mercics, Belgium, Polfs, s.t.; 3. Leonardo Piepoli, Naty, Belgium, Polii, s.1; 3. Leonardo Piepoli, Italy, Socca, s.1; 4. Andrea Tolii, Italy, Mapei-Bricobl. 1:15 behind: 5. Daniele Nordelo, Haly, Manel Bricohl, s.t.: 6. Max Sciendri, Britain.

Le Francoise des Jeux. 1:30, 7. Angel Cosero, Spain, Vitalicie, s.t. B. Leon van Ban, Neth-erlands, Radobani. 1:43, 9. Udo Balts, Ger-many, Deutsche Telekom, s.t.: 10. Guiseppe Di Grande, Haly. Mapel-Bricobl. s.t.

STANDUNGS (after 6 moos): 1. Michele Bartoli, Italy, Asics-CGA 206 points: 2. Cas-agrande, 151; 3. Franco Balterini, lioly, Mapei-Bricobi, 132; 4. Emmanuel Magnien, France, Le Françoise des Jeux, 130:5. Andrei Stefano Zanini, Italy, Mapel-Bricobi, 118: 7. Rolf Joermann, Switzerland, Casino, 110: 8. Tali, 110: 9. Johan Museeum, Belgium, Mapel-Bricobi, 100: 10. Erik Zobel, Germany,

#### FOOTBALL **NFL PRESEASON**

THURSDAY PROBET PREDAY PER Detroit 13, Artzonz 10, OT Termessae 31, Attenta 16 Pirisburgh 24, Boffelo 13
Bollimore 19, Chicago 14
Miami 19, Washington 16
Caroline 30, Jacksonville 27 Kansas City 17, Tampa Bay 13

New York Glants 24 Cincinnati 17 ver 20. St. Louis 13 Green Bay 31, New Orleans 7 Oakland 16, Dallas 3

Seattle 24, Materia poisson. 2. San Diego 27, San Francisco 21 GOLF **GERNAN OPEN** 

offs 21

Leading final scores Sunday from the 1.15 million German Open PGA golf cournament held at the per-72 6,477 m

tournament teets at the pair 72 5,477 moser (TuB2 years) Sporting Club Bartin course in Bad Saerow, Germany:
S. Allon, Australia 72-71-68-69—280
S. Webster, England 72-71-69-71—281
S. Gordfor, Spain 5-77-68-74—271
S. Henderson, Scolland 72-67-73-71—282 72-71-08-99-72-201 71-70-69-71-281 57-72-68-74-281 72-61-73-71-283 67-73-72-72-284 67-70-73-74-784 72-68-72-72-284 73-70-70-71-284 5. Henderson, scotland Paul Lowrie, Scotland M. Comphet, N. Zealand K. Tomori, Japan John Wode, Australia 71-75-66-72-284

RUGBYUNION SHTERNATIONAL PRESENTS

SOCCER GIABITY SINELD ISENDE 3. Manchester United 0 OTEMAN LEAGUE CUP FRIVAL FRINCH PREST STVISION Le Hovre Q. Metz 0 Rennes 1, AJ Auxerre 0
Rennes Marselle 2, Nardes 0

Toulouse 3, RC Lens 2 Washington D.C. 1, Dallas 0 Los Angeles 2, Chicago 1 Columbus 6, New England 1 Kansas City 3. Colomdo 1

Eastern Conference— x-D.C. 48 points; NY-NJ 32: Columbus 30: Tampe Bay 21; Miami 20: New England 19. Western Conference rence... z.D C 48 points: NV. Los Angeles 52 points: Chicago 37: Colorado ısas City 26: Dallas 25: San Jose 20.

TENNIS GROLLSCH OPEN

Richard Fromberg (6), Australia, def. Korol Kecero (1), Slavatkia. 6-1, 6-7 (4-7), 6-4; Mag-nus Norman, Sweden, def. Mariono Zabaleta. Argentina. 7-5, 6-4. Norman def. Fromberg (6), 6-3, 6-1, 2-6, 6-4.

PU MATERITR OPEN
IN TORONTO

man (7), Britain, 6-2, 6-4; Richard Krajkek (4), Netherlands, del Andre Asserti (4). Notherlands, det. Andre Agassi. United States, 4-6, 7-5, 6-2, **BATENNIS CLASSIC** 

TOSSMEA TERREIS CLASSES
IN CAPLERAD, CA.
OUARTERFINALS
Monico Seles (J), United Stores, def. Al
Sughama, Japon, 6-4, 6-3: Many Pierce,
France, def. Venus Williams (3), United Violes, 2-6, 7-6 (7-3), 4-0 retired.

Lindsoy Davemport (2), United States, 6ef.

Natholie Touzkif (8), France, 6-4, 6-3. SENIFINALS

Dovenport (2), def. Seles (4), 6-4, 2-6, 7-5;

Plerce det. Martina Hingis. (1), Switzerland, 3-6 7-6 (9-7). 6-2 ENKA OPEN FINAL Henrieta Nagyova (1), Slovakia, del, Olgo Baro-

barechikova (7), Belanis, 6-4, 3-6, 7-6 (11-9). TRANSITIONS

BASEBALL ANAXEUA-Acquired RMP Jeff Juden from

Minuotee for player to be named and cash.

BALTIMORE—Put RHP Doug Drabek on
15-day disabled ist. Recalled RHP Bobby
Manaz fram Rochester, IL Designated RHP
Billy Percibal for assignment. Designated OF Keith Mitchell for it. Assigned INF Los Mertoni to injury rehab with Red Sox' GCL team. CLEVELAND—Bought contract of INF Jeff Manto from Buffala, IL. Optioned INF-OF-Richie Sessan to Buffala. Put RHP Chad #ANSAS CITY\_Put OF Shane Mark on 15.

my Doughtly, vice president of player pe

Lonry Doughty, vice president of player per-sonnel.

Anniesora—Recolled RHP Todd Ritchie from Sait Lake, PCL Optioned OF Chris Loth-am to Sait Lake,

SEATTLS—Recolled OF Raul Ibanez from Tocomo of the PCL Optioned INF Charles, Gipson to Tocomo,

TEXAS—Put DH Lee Stevens on 15-day dis-tabled St. Bought Contract of OF Warren Newson from Oklahoma City, PCL TORONTO—Traded LHP Randy Myers to Sam Diego for C Brian Loyd and player to be named. Assigned Loyd to Dunedin, PSL Signed SS Felipe Lopez and assigned him to SI. Cathorines Stompers, NYPL. Assigned RHP Robert Person to Syracuse, IL. Recolled INF Thomas Perez and LHP Steve Standar from Syracuse.

ARZONA—Reculted INF Honley Frios from Tucson, PCL.
ATLANTA—Sent RHP Mark Wohlers to Richmond, IL. Put RHP Russ Springer on 15-day disabled list. Recutted LHP Adom Buffer from Richmond.

MOUSTON—Traded LHP Pete Schourek to Boston for cush. Activated LHP Billy Wogner from 15-day disabled list.

MILWAUKER—Reculted INF-OF Brion Banks from Louisville. JL.

SAN FRANCISCO-Put LHP Alvin Mor SAN FRANCISCO-PUT L-IP Ann MOTTON
on 15-day Blasshed ist. Optioned C Doug
Mirabell to Fresno. PCL. Activated C Brian
Johnson and R-IP Julian Toyarez from 15day disabled Rst.

BASICITEALS.
NATIONAL BASICITEALS ASSOCIATION
CHICAGO. Manual Carl Telepholomican

CHICAGO—Named Fred Tedeschi trainer. MATIONAL POOTBALL LEAGUE DENVER — Agreed to terms with WIR Rod Smith on 6-year contract extension. MLAMI—Signed WR Cronde Godsden. Re-leased CB Corey Hards. N.Y. JETS — Signed LB Brian Cox. Waived S

Anthony Marshall and WR Nakia Jenkins.

SAN DIEGO —Signed DE Jamoi Williams to HOCKEY NATIONAL HOCKEY LEAGUE ANAMEIM—Announced Jock Ferreiro, genend manager, has been offered unspecified position with the organization and Pietre Gauthier, president, will also serve as general

position with the organization with the organizations will also serve as gener manager. Signed LW Jim McKenzie to 2-ye BUFFALO-Signed C Brian Holzinger to 2year contract.
COLORADO—Signed RW Scott Parker and
LW Nick Bootland to 3-year contracts. Signed
RW Shean Donovan, D Jeff Buchanon, and D
Ted Crowley to 1-year contracts.
DETROIT—Signed D Shane Haidy.

### WORLD ROUNDUP

#### **Boycott in Poland**

played in the Polish League as clubs boycotted the schedule as part of a campaign to force Marian Dziurowcz, the president of the soccer federation to resign. Six matches federation, to resign. Six matches scheduled for Saturday and one of two on Sunday were called off. Dziurowcz brokered a deal with

the government late Friday to meet a deadline set by FIFA, the governing body of world soccer. FIFA had threatened to expel Polish teams from international competitions if the government did not reinstate soccer officials it had fired. Nine of Poland's 16 first division teams had demanded the reinstatement but wanted Dziurowcz (Reuters)

 A proposed European super league is a foregone conclusion and will start in two years, Uli Hoeness, the Bayern Munich executive, said in an interview published Sunday.

"Everybody that's complaining now will celebrate if they knew how much money is coming their way." Hoeness said. " (AP)

#### Allan Overtakes Garrido

GOLF Stephen Allan shrugged off a wasp sting and a late triple bogey to win the German Open by one shot Sunday. Allan finished with a three-under par 69 for a total of 280. Ignacio Garrido, the overnight leader, shot 74 to finish on 281 with Steve Webster, Mark Roe and Padraig Harrington. (AP)

#### Rafter Survives Heat

TENNIS Patrick Rafter won the Canadian Open Sunday beating Richard Krajicek, 7-6 (7-3), 6-4, in Toronto where the on-court thermometer read above 50 degrees centigrade (120 degrees Fahrenheit). Krajicek had beaten Andre Agassi, 4-6, 7-5, 6-2, in the semifinal Saturday, ending Agassi's streak at 15 matches. (AFP, AP)



CONQUEST — Magnus Norman hoising the trophy after beating Richard Fromberg, 6-3, 6-3, 2-6, 6-4, Sunday in the Groisch Open tennis final.

### **Arsenal Gets Easy Victory Over Listless** United, 3-0

Arsenal outplayed Manchester United on Sunday as it won the Charity Shield, the traditional curtain-raiser to the English season, 3-0, at Wembley. In blistering heat, Arsenal took control of the match after 34 minutes when the Dutchman Marc Overmars scored and went on to dominate listless United with further goals from substitute

Christopher Wreh after 57 minutes and It's a long season ahead. Page 17.

a superb third from French striker Nic-

olas Anelka after 72 minutes. olas Anelka after 72 minutes.

Arsenal, which ended United's twoyear reign as English champion, qualifies automatically for the Champions
League and will play its home matches
in the competition at Wembley.

David Beckham, who was sent off

playing for England in the World Cup, was booed by Arsenal fans every time he touched the ball. But he was United's most influential midfielder and was unlucky not to score with a free kick late in the game.

FRANCE Lens, the champion, and Paris Saint-Germain, one of the summer's big spenders, stumbled to away defeats Saturday on the opening week-

end of French League matches.
PSG lost, 3-1, in Bordeaux where both teams a player sent off in the first half. Lilian Laslandes and Sylvain Wiltford scored for Bordeaux sinside a minute early in the second half.

Augustine Okocha, the Nigerian World Cup star, came off the bench for PSGf and, within a minute, scored with a long-range shot.

Ali Benarbia, the midfielder who joined Bordeaux from Monaco in the summer, scored to seal the victory.



Herald Eribune

SPORTS

Aresenal's Dennis Bergkamp wrestling with Manchester United's Jaap Stam in London at the start of the English Premier League season.

Jose Galdames scored with a free kick with four minutes to play give Toulouse a 3-2 victory over Lens. Fabrizio Ravanelli, the Italian striker who missed the World Cup because of

illness, scored as Marseille beat Nantes,

GERMANY Giovane Elber scored three goals in the first half as Bayern Munich crushed VfB Stuttgart, 4-0, in the final of the lucrative German League

The Brazilian's treble and a goal from Carsten Jancker with seconds remaining earned Bayern 2.5 million Deutsche marks (\$1.41 million) in prize money.

As in the earlier rounds, the crowd was disappointing, with only 14,000 turning up for the final. The six-team cup was introduced last year to replace the Super Cup, in which the champion faced the Cup winner, but the muchcriticized format may be changed

# Yugoslavia Snatches **Gold From Russia**

### United States Routs Greece for Bronze Medal

ATHENS - Zeljko Rebraca had 16 points and 11 rebounds as Yugoslavia rallied late to edge Russia, 64-62, on Sunday and capture its record fourth World Basketball Championship.

Rebraca, who plays for the Spanish club Real Madrid, hit two free throws

with 4.7 seconds left to provide the winning margin before a sellont crowd of 18,000 at Olympic Arena. Sergei Panov and Igor Koudellin had

#### WORLD BASKETBALL

14 points apiece for Russia, which won its second straight silver medal. It lost the title game to a U.S. Dream Team in 1994, when Yugoslavia was not al-lowed to defend its crown because of var sanctions.

Earlier Sunday, Jason Sasser scored 23 points as the United States routed

Greece, 84-61, to capture the bronze. After taking the lead at 49-45 on Koudellin's lay-up with 10:41 to play, Russia went 8:21 without a field goal. That allowed Yugoslavia to move

ahead, 50-49, its first lead since 10-7 in

the opening minutes.

Then Rebraca and Aleksandar Djordjevic took over, scoring 11 of their team's last 14 points. Djordjevic did not have a basket until hitting a 3-pointer with 2:42 left that put the European champions ahead, 53-50.

In the third-place game, Jimmy King had 14 points and Wendell Alexis added 12 as each of the Americans scored. Because of the National Basketball Association labor dispute, the U.S. team was a ragtag collection cobbled together mainly with players from the minor-league Continental Basketball Associ-

ation and European leagues.
"We wanted it today," said U.S. center David Wood, a former NBA journeyman who split last season between the CBA and Spain. "You always set your goals for the gold, but this is the

greatest accomplishment of my baskets ball career."

lefte Gund

The Americans took their biggest lead at 80-46 with 4:56 left in the game on a breakaway dunk by King.

The United States lost, 66-64, to Rus-

in the semifinal Saturday after leading 64-54 with 3:08 to play.

Creece, also fourth at the 1994 worlds, showed the after-effects of its overtime semifinal loss to Yugoslavia the night before. The hosts shot 20-of-55 from the field for the game and trailed 48-27 at half-time. Dimitri Pap-

anikolaou led the hosts with 18 points, while Giorgios Kalaitzis had 15. In consolation action, Spain beat Italy, 64-61, for fifth place, and Lithuania edged Argentina, 77-76, for seventh.



Argentina's Simoni grabbing the ball over Lithuania's Karnisovas.

### Kipketer Races Back From Illness and Shows He Still Can Win

International Herald Tribune

MONACO — Success in athletics is particularly ephemeral, as fragile as a runner's body or psyche. In a sport where the electronic clock keeps on whirting whether you are at your fittest or not, last year's worldbeater can become this year's afterthought in a hurry.

Wilson Kipketer has had ample time to consider this in recent months. He turned the men's 800 meters into a one-man race in 1997, breaking the world indoor record and, most impressively, Sebastian Coe's venerable outdoor record of I minute, 41.73 seconds. Kipketer, who was born and raised on the plateaus of Kenya but is now a citizen of low-lying Denmark, also won the world championship for his adopted nation.

But for 10 days in February, Kipketer found himself in a Portugese hospital, struggling to overcome malaria that he contracted on a visit to Africa. He did not resume jogging until April, did not

resume competing until Saturday at the Herculis Vittel meet in Monaco, the third leg of the six-leg "Golden League" organized by the IAAF, the governing body of world athletics, this summer.

"I didn't want to hurry." Kipketer said in a prerace interview. "I wanted to be at full strength and to be able to not worry about my health."

It was in Stade Louis II that Kipketer first gave an indication that he would be capable of threatening Coe's mark. In July 1995, he won the 800 here in I minute, 42.87 seconds and was promptly surrounded by curious inquisitors hungry for every detail of his arypical exocus. There was no shortage of curiosity again on Saturday, and though Kipketer demonstrated that he still knows how to win, it is unclear whether he still knows how to run as fast.

The man with the breathtakingly fluid stride did not look particularly ethereal in the opening 200 meters or in the last 50, barely holding off Kenya's Patrick Ndururi to win in 1 minute, 43.75 seconds. The time was 2.64 seconds slower than Kipketer's

s training until late May, and did not world record but considering what his body has show for his jetlag. Boldon won the men's 100 been through in 1998, there was no reason to do anything but applaud.

"I felt free of the malaria and am looking forward to the European championships later this month," he said. "The time matters to me less than. the victory."

It is the right attitude, and on this steamy night on the Cote d'Azur when Kipketer finally returned, it was strange to see Maurice Greene, the young American sprinter in perfect health, watching the 100 meters from the sidelines.

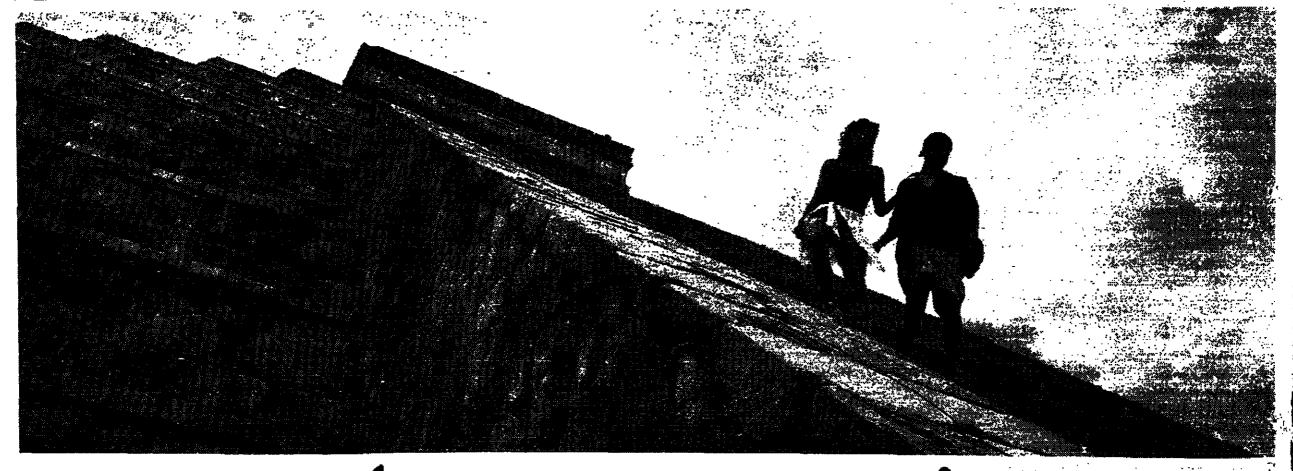
Greene is the reigning world champion, but he never broke a sweat on Saturday night. He said he had come to Monaco with coach John Smith to prepare for Wednesday's meet in Zurich, which is generally considered the finest in the world, but after negotiations with Zurich officials broke

down, Greene won't be racing there either. Nor will Greene's friend and training partner, Ato Boldon, but at least Boldon flew back to Los Angeles with Greene on Sunday with something to meters on Saurday in 9.92 seconds, defeating world-record holder Donovan Bailey by a hundredth of a second.

"I've been second a lot this year, so this means a lot," Boldon said, after flexing his muscles and charisma on a boisterous victory lap.

Marion Jones has never been second this season. She has raced 15 times at 100 meters and won every race. Saturday night, three days after withdrawing from a sprint in Stockholm because of a tender hamstring, she generated even less suspense than usual, starting explosively and finishing all alone in 10.72 seconds. Her time was only onehundredth of a second off her personal best and 18hundredths of a second better than her winning.

time at the Goodwill Games last month. The victory kept Jones in the running for a share of the \$1 million jackpot that is available to those who win their events in the six Golden League meets and the Grand Prix final in Moscow. Next stop: Zurich.



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